DEC 1947

30.24- 14133

and Frenchwomen whose sons, brothers and husbands fell the unknown victims of German slave labor or on the fields of battle against the Fascists."

In contrast to the few Frenchmen remaining in Russia, he charged, there are "several thousand Soviet citizens" whose return home "is being systematically hindered by French authorities."

Abandoned By Government

The few Frenchmen still unrepatriated, he said, were deliberately abandoned by the French Government and "the fate of these remaining French citizens nad no weight in the eyes of the present French Government."

Marquie said also that the French aided the establishment of anti-Soviet propaganda camps for displaced Soviet persons and permitted the issuance of false documents to some of these persons.

He further claimed French authorities refused to return to the Soviet Union Russian citizens who were guilty of war crimes and ignored Soviet protests of such action.

Marquie described himself as a French soldier who was taken prisoner by the Germans and who later escaped and fought with the partisans in Poland and the Ukraine against the Nazi occupiers.

France, he said, was the first victim of a general, world-wide anti-Soviet campaign. He added that the reasons for the recent actions of the French Government should be sought outside Frar

French Gain in Indo-China

PARIS, Dec. 10 (AP)—The French high command said today that French military operations in the past six weeks had destroyed the Viet Namese Nationalist regular army in Tonking, Indo-China, and disrupted its central command. News dispatches from Indo-China, summing up French operations since October, said also that French troops now controlled all main points along the Chinese-Indo-Chinese frontier.

Churchill In Paris En Route To Morocco

Paris, Dec. 10 (AP)—Winston Churchill arrived today at Le Bourget airfield from London on his way to Marrakech, Morocco, for a vacation.

He will attend a reception tonight for departing Ambassador Alfred Duff-Cooper and will resume his trip tomorrow morning.

French Morocco is a favorite site for the ex-Prime Minister's prime hobby—landscape painting.

Krupps Accused Of Arms-Pact Plot

Nuernberg, Germany, Dec. 10 (AP)—The Weimar Republic's defense ministry and the Krupp armament firm had a "gentleman's agreement" to circumvent arms restrictions of the Versailles Treaty, the American prosecution charged today in support of a charge of aggressive warfare against the Krupp firm.

Alfried Krupp and eleven other Krupp executives are on trial on charges of war crimes.

In 1922, Krupp officials and th Defense Ministry of the Germa

Republic established after World War I agreed to co-operate closely in developing guns, the prosecution said. This agreement, the prosecution added, was the first step taken jointly by the Defense Ministry and the Krupp firm of circumvent and "thereby to break down regulations of the Treaty of Versailles which strangled Germany's military freedom."

The American prosecution also outlined what is described as various subterfuges which the Krupp concern employed to hide

its rearmament preparations, both inside and outside Germany.

For example, the prosecution said, Krupp established a dummy ship building firm in Holland to designe an improved German submarine very successful against Allied shipping during the first years of World War II.

KRUPP TREATY VIOLATION TOLD

EP SHAKE

Firm Kept War Potential, War Crimes Court Hears.

Nuernberg, Dec. 10 (A. P.).—The Krupp armaments firm preserved its rearmament potential in violation of the Versailles Treaty "merely out of the conviction that one day Germany must again fight to rise," evidence introduced at the War Crimes trial of Alfred Krupp and eleven of his associates indicated today.

Krupp's purpose in clandestinely maintaining a basic plan for reconversion to war production between 1918 and 1933 was outlined in a secret memorandum to the German High Command in 1940, the American prosecution declared.

In this memorandum, Krupp asked for permission to increase its arms prices because of the several hundred millions of marks losses it suffered as a result of the scheme.

"Only this procedure made it possible at the beginning of the rearmament period to produce straight away heavy artillery armor plates tanks and such like in large quantities," the document added.

Quotes Article by Krupp.

The prosecution is endeavoring to show that in the years between the two world wars Krupp illegally prepared for aggressive war and committed crimes against peace.

Joseph W. Kaufman of New York city, deputy chief counsel, quoted from an article written in 1941 by Gustav Krupp, father of Alfred, in which he declared the Krupp concern "had to be prepared again" as an armament plant if Germany were to be reborn after Versailles.

"Without arousing any commotion the necessary measures and preparations were undertaken," he wrote. "Thus, to the surprise of many people, Krupp began to manufacture products which really appeared to be far distant from the previous work of an armament plant," the article continued.

"Even the Allied snooping commissions were duped. Padlocks, milk cans, cash registers, track repair machines, trash carts and similar 'small junk' appeared really unsuspicious.

"After the assumption of power by Adolf Hitler I had the satisfaction of being able to report to the Fuehrer that Krupps stood ready, after a short warming up period, to begin the rearmament of the German people without any gaps of experience.

DEC 1947

German Admits Selling Theodolites To Russia

Berlin, Dec. 10 (AP)—Count Rudolf Westarp, managing director of the Askania Works, testified today that although the major share of the kino theodolites produced by his plants went to the German armed forces during the war, he completed a large contract with the Soviet Union early in 1941.

The Count, who, with five other Askania officials, is on trial for manufacturing and storing war material in postwar Berlin, was asked by the prosecution if the Russians wanted the theodolites to study the movement of birds.

"I don't know," he answered, "but they weren't for the Russian Army because Hitler would not have permitted it."

The witness said theodolites also were sold to "all the neutral countries" around Germany. Experts have testified the instrument was designed primarily to study the trajectory and velocity of aircraft or missiles in flight and is used in connection with anti-aircraft batteries.

Westarp testified the theodolite was a scientific instrument and had peacetime uses. He insisted that

United States Military Government officials knew his production program, including the making of theodolites from parts manufactured prior to the end of the war, and raised no objections.

REICH REDS SEEK VISAS FOR LONDON

Berlin, Dec. 10 (A. P.).—Wilhelm Pieck, Germany's No. 1 Communist and co-chairman of the Soviet-sponsored Socialist Unity party, applied today for visas to permit his seventeen-man delegation to visit London and seek an audience with the Foreign Ministers Council.

The British Military Government said it would forward the application to London for a decision.

[In London, the Foreign Office said it was too early to say what action will be taken.]

The delegation was elected at the Communist-controlled German People's Congress for Unity and Peace here last week. The major non-Communist parties boycotted the congress and denounced it as a "brazen trick" by the Communists to represent themselves as the spokesmen for all Germany. The non-Communists have urged that the Pieck delegation be refused a hearing by the Foreign Ministers.

AMG Brands Reds in Germany Most Avid U.S. Dollar-Chasers

BERLIN, Dec. 10—(AP) Although Soviet propaganda violently attacks the dollar as the instrument of American imperialism, the Russians are perhaps the most avid dollar-chasers in Germany, according to documented reports published by the American Military government and the German press.

In their efforts to obtain dollars the Russians are engaging in and supporting the blackmarket and quasi-blackmarket trading in Eastern Germany, according to a detailed survey published by American authorities.

Draining German Economy

The American survey said that these operations had the effect of draining the German economy of valuables and corrupting German law enforcement agencies. Since publication of the report in mid-November the Russians have not denied its charges but publicity apparently has brought about a curtailment of Soviet trading operations, in Berlin at least.

Meanwhile the Russians and German Communists conduct a nonstop propaganda campaign against "dollar diplomacy" and "American capitalist enslavement."

Conducted chiefly by the Rasno Export Corporation—described by the American Military Government as an agency "directly responsible to the ministry of foreign trade of the USSR in Moscow—The Soviet trading operations appear designed chiefly to obtain (1) dollars and other hard currencies for foreign exchange and, (2) vast stocks of German gold, diamonds and other valuables which can be transported to the Soviet union or sold abroad for solid currencies.

One of the major uses to which reports, is "to maintain propaganda projects in France, Italy and other countries which attack the United States and the Marshall Plan."

Aided by Polish Jews

In their chase for dollars the Russians have been aided by Polish Jews who fill a displaced persons camp in the U.S. sector of Berlin. The AMG statement said that Rasno had many "intermediaries and distributors" in this center.

Other means by which dollars reach the Russians occur when American soldiers sell greenbacks in the black-market "little realizing," according to intelligence reports, "that their money may eventually reach Soviet hands."

Still another, and more legitimate, channel by which the Russians obtain dollars is through their Intourist organization which conducts numerous hotels and travel facilities in Berlin and the Russian occupation zone of Germany. These are chiefly reserved for United Nations personnel who live in or visit Germany.

Intourist now has at least three hotels in Berlin, others in Stralsund, Leipzig and various other Russian-occupied cities.

British pounds have been refused by the Intourist management because "the British have an economic crisis and we don't trust their money."

DEC 1947

Ex-A. F. L. Man Named to Reich Post

Rudolf Katz Gives Up U. S. Citizenship to Be Schleswig-Holstein Justice Minister.

Hamburg, Dec. 10 (A. P.).—Dr. Rudolf Katz, 42 years old, formerly American Federation of Labor representative in Hamburg, has been named Minister of Justice for Schleswig-Holstein in the British occupation zone.

In accepting the appointment, Katz became the second naturalized American to give up citizenship to take office in the German Civil Administration. A year ago, his associate and fellow exile from Nazi persecution, Max Brauer, became Mayor of Humburg.

Katz, a lawyer and Brauer were Social Democrat members of the Hamburg-Altona Council until they fled Germany in 1933. Together they went to China as advisers to Generalissimo Chiang Kai-shek and then to the United States, where they became citizens.

They returned to Hamburg last year as representatives of the A. F. of L.

Katz was associate editor of the German language newspaper Neue Volkszeitung until 1946.

While on the staff of the paper for ten years, Katz was a leader in the American branches of the German Social Democrat and trade union groups and wrote a weekly column critically analyzing the Hitler regime. He was also active, with the help of the A. F. of L. and the Jewish Labor Committee, in bringing German political refugees to this country. Since returning to Germany, he has contributed a weekly column, on current conditions in Germany, to the newspaper.

De Gasperi's Opponents Carry 'Winter Offensive' To Capital

Rome, *Thursday*, Dec. 11 (AP)—A general strike, the first in the Italian capital since before the advent of fascism 25 years ago, started spreading over Rome early today as Primier Alcide de Gasperi's Leftist opponents brought their "winter offensive" to his doorstep.

The wheels of the public transportation system grounded to a halt just after midnight and ushered in the "indefinite" work stoppage ordered by Leftist-dominated labor unions, ostensibly to enforce a sweeping program of winter relief on de Gasperi's Christian Democratic Government.

Held Political Maneuver

Soon after the strike was called, the Christian Democrats' Rome committee attacked it as a political maneuver, declaring the unions' demands already were largely satisfied and urging Christian Democrat workmen to remain on the job.

Officials at the Rome province's Chamber of Labor, however, expressed confidence early today that the entire working population, estimated at 500,000, would obey the strike call. Workers in essential activities have been exempted.

Calling out all workers in industry, commerce and agriculture except a few to keep some skeleton services going, the provincial Chamber of Labor demanded the earmarking of 10,000,000,000 lire ($18,650,000) for a public works program to absorb what it estimated were 80,000 unemployed in the Rome area.

'No Reason To Fear'

A one page bulletin printed by the Chamber of Labor last night—the first of daily editions which will bring Romans their only news during the strike—said there was no reason to fear "incidents or disturbances of public order."

Although the Government made no great show of police during the first hours of the strike, it later added heavier forces at Government offices, radio stations, power plants, railway stations, foreign embassies and other places.

Possibility that Christian Democrat workers might try to break the strike appeared when the streetcar company telephoned police that some Christian Democrat motormen were ready to take cars out at daylight if protection were provided.

Newspaper Strike Set

Government efforts to halt or abbreviate the strike continued into the early hours with the ministers of Labor, Public Works and Agriculture conferring at the Treasury Ministry with representatives of the Chamber of Labor.

Chamber spokesmen said, however, that even should an agreement be reached quickly, the strike would last at least several hours.

Meanwhile, it was announced that newspaper men in central and southern Italy would go on strike as soon as the Rome strike ended. The strike was called after publishers notified the journalists' union they could not agree on giving a 35 per cent wage increase recently granted to north Italian writers.

The newspapers printed by the chamber charged the Government had offered only 2,000,000,000 lire for public works, although the unofficial reports earlier said the Government offered to set aside 11,000,000,000 lire for the Rome area out of an over-all appropriation of 40,000,000,000 lire for a nation-wide program.

Exemptions Listed

The strike vote was taken first by the Chamber of Labor, with only the Christian Democrats among those present voting in opposition. Later the "council of laws"—delegates of the individual provincial unions—set the date for the beginning of the working day.

Exempted from the strike call were these employés:

1. Bakers and millers grinding flour for bread.
2. Employés of food stores (which will be open only until 1 P.M., however), public markets (which will be open only until 9 A.M.), dairies and popular-priced restaurants.
3. Enough public utilities employés to keep services going.

Hospital Personnel

4. Postal and communications employés needed to handle out-of-Rome telegrams and receive and sort—but not to distribute—the mail.
5. Hospital, pharmacy and first aid station personnel.
6. Transport workers hauling milk and food.
7. One taxi driver per section of Rome who will provide only emergency service.
8. Firemen in industrial firms who will keep high-temperature ovens going.
9. The Chamber of Labor's announcement said newspapers would be struck, but today's morning editions could appear.
10. All railway service employés.

Climax Of Demonstrations

This newest challenge to de Gasperi's Centrist Government—the climax of a wave of Leftist-led strikes, demonstrations in public squares and attacks on Government buildings and Right-wing party offices throughout Italy—came as the aftermath of the fatal shooting of a 20-year-old unemployed Communist by police in a riot in a Rome suburb last Friday.

Communist labor leaders thereupon demanded a huge public works program, a Christmas dole for unemployed, and punishment of the killers, and the Chamber of Labor said if the demands were not met by last midnight there would be a general strike.

UNIONS SAY 500,000 WILL OBEY ORDER

GENERAL STRIKE IN ROME ORDERED FOR TOMORROW

F. BRUTTO

Is Set to Continue Until Leftists Employment Demands Are Met.

Rome, Dec. 10 (A. P.).—The provincial Chamber of Labor tonight ordered a general strike for Rome and Rome's province beginning with the start of the working day tomorrow and to continue until Premier Alcide De Gasperi's Government meets demands of leftists for winter unemployment aid. The new leftist challenge to the Government climaxed a wave of Communist-led strikes, demonstrations and violence which have harassed the middle-of-the-road Christian Democratic Government for four weeks. The immediate cause for the strike call was the fatal shooting of a 20-year-old Communist in a clash between demonstrators and the police in the Primavalle slum area of Rome's outskirts on Friday.

A committee of delegates, called the "Council of Laws," decreed that the strike would continue until the Government met demands advanced on behalf of the Rome area's 80,000 unemployed.

The Government according to unofficial reports, had offered about 11,000,000,000 lire (about $18,650,000) for public works in the city and province of Rome in an effort to avoid the strike, which was called to protest unemployment.

To Decide Strike's Length

The general strike call, latest manifestigation of the Leftist assault on the Christian democratic government, will become official as son as the chamber's committee of delegates representing the various unions votes approval and this was considered certain.

The Committee of Delegates, also known as the "Council of Laws," wil ldecide the length of the strike and the services which may be exempted from this protest demonstration on behalf of the Rome area's 80,000 unemployed.

Christian Democrats Outvoted

Only the delegates who are members of the Christian Democratic party voted in the Chamber of Labor against the strike call. The action was taken after the chamber considered the Premier's public works offer.

Newspapers forecast the Cabinet's action might be its last and that the Premier might announce tomorrow his fifth government, including representatives of two small Leftist parties, which would afford the Government an unassailable majority in the Assembly.

Premier Comments

At the conclusion of long sessions with leaders of the Labor Socialist and Republican parties, whose inclusion in the Government would fortify its position against assaults of the extreme Left, the Christian Democrat Premier said:

"We have traveled a long way and believe that we will pull into the station today."

Law Authorizes Public Works

A new law, effective tomorrow, authorizes the Minister of Public Works to accept contracts for completion and new construction of public works of an extraordinary character, reconstruction of war-damaged properties and construction of low-cost housing projects in war-damaged communities and in cities where the war has caused an exceptional increase in population.

This would include Rome, whose prewar population of 1,000,000 has been swollen to some 2,000,000, many of them huddled in squalid, unheated quarters such as Primavalle, where rioting occurred Friday.

Italians Emigrating

Rome, Dec. 10 (AP)—Italian emigrants in the first six months of 1947 totaled 98,053, the Central Statistical Institute has announced. Of these, 14,116 shipped out from Lombardy, twice as many as from any other region.

Italy Protestant Church Closings Are Protested

Rome, Dec. 10 (AP)—The Rev. Umberto Gorietti, president of the central executive committee of the Christian Evangelical Pentecostal Churches in Italy, said tonight he had written Premier Alcide de Gasperi and Mario Scelba, Interior Minister, protesting the closing of "eleven or twelve" Pentecostal churches in southern Italy in the past two months.

The letter, sent to the Government leaders today, said the churches were closed under the terms of a 1935 Fascist decree which should have been stricken from the books.

The closed Protestant churches, Gorietti said, were in Sicily and in the provinces of Naples and Benevento in the Campania region south of Rome.

Deputies Support Spaak's Regime

Brussels, Dec. 10 (AP)—The Social-Christian Government of Premier Paul-Henri Spaak was given a vote of confidence, 150 to 32, in the Chamber of Deputies today.

The vote came after a spirited debate which brought a fist fight between two members on the floor of the chamber. The two were ejected.

The debate concerned whether King Leopold III, who has been in exile in Switzerland since he was freed from German custody at the end of the war, may return to his throne. Spaak urged that the question be put aside until it can be discussed less passionately.

Spaak told the Assembly just before the vote that "Belgium's prosperity and peace rest upon the close co-operation of the Socialist and Social-Christian parties."

DEC 1947

30.24- 14135

FORM CABINET, DIMITROV TOLD

Communist Designated As Bulgarian Premier Again

Sofia, Bulgaria, Dec. 10 (AP)—The Bulgarian National Assembly today designated Communist Premier Georgi Dimitrov to form a new government under the procedure called for in the new constitution adopted by the National Assembly last week.

Dimitrov, one of the outstanding Communists in the Bankans, accepted the designation and will present his new Cabinet tomorrow.

Informants said the Cabinet would consist of eleven Communists, four Agrarians, two Republican party members, two Socialists and one Radical. All parties are in the Fatherland Front, the Communist-dominated coalition that rules Bulgaria.

Choices Predicted

The old Cabinet appointed November 22, 1946, had ten Communists, five Agrarians, two Socialists, two from the Zveno group and one independent.

The informants said Dimitrov would name as deputy premier his right-hand associate, Traicho Kostov, and would designate Vasil Kolarov, former Communist President of the republic, as Foreign Minister. Kolarov would replace former Premier Kimon Georgiev.

Dimitrov submitted his resignation to the National Assembly last night in accord with constitutional procedure.

Required "Formality"

Nikola Dolatovchev, Bulgarian political representative in London, said the resignation of Dimitrov was a "formality" required by the new constitution, which went into effect December 5. He said the constitution required formation of a presidium which was elected by the Assembly yesterday, and that the resignation of the Fatherland Front Government followed.

DEC 1947

plies and spare parts, valued at $423,854, for the Greek Navy since the first shipment September 3.

Seven ships delivered a total of 271 tons of supplies. About $180,679 of this sum was spent for clothing, $89,872 for general store supplies, and $153,303 for minesweeping spares.

PRAVDA ACCUSES GERMAN CARDINAL

Moscow, Dec. 10 (A. P.).—Pravda published a Berlin dispatch today saying that Michael Cardinal von Faulhaber, Archbishop of Munich, and Bavarian officials discussed at a recent secret meeting the formation of a Catholic anti-Communist state to be carved from Germany and Austria.

Pravda's correspondent said that the meeting took place in a Carmelite monastery near Ellwangen, in the United States Occupation Zone, shortly before the current Foreign Ministers Conference opened in London.

"Cardinal Spellman, the Vatican's American representative, is especially interested in this," the dispatch said. "He, Spellman, is closely connected with the American Banking House of Morgan. Here is where another American reactionary plan directed at dismembering Germany came from."

Cardinal Spellman's office in New York city had no comment.

In Frankfurt, Bruno Doerpinghaus, spokesman for the Christian Social Democratic party, denounced Pravda's story as "made of whole cloth."

Greek Navy Gets Supplies From U. S.

Athens (A. P.).—The Navy group of the American Mission for Aid to Greece has imported into Greece naval clothing, sup-

DEC 1947

Soviet Price Revisions Linked To Plan for Ending Rationing

Malenko, Politburo Member, Reports Action Being Taken—Swedish Paper Reports Red Stores Stripped in Panic Buying.

Moscow, Dec. 10 (A. P.).—A member of the Russian Politburo has announced that conditions have been created for the "abolition during this year of rationing in the Soviet Union" and linked this with price revisions.

The announcement was carried in a report by Georgi Malenkov on the Soviet Union's Communists at the September meeting in Poland at which the Communist Information Bureau was formed. The report was published for the first time in Russia by Pravda yesterday, although it had appeared in an issue of the Cominform organ several days ago. Cominform headquarters are in Belgrade.

Malenkov's statement was the first mention in the Soviet press for months of plans to end rationing. Russians took it to mean that their ration cards would be gone before the remaining three weeks of 1947 pass.

Details Not Mentioned.

"The Soviet State has already carried out a series of measures for abolishing a multiplicity of prices with the purpose of preparation of the end of rationing," Malenkov said.

He did not detail what this series of measures constituted, but he implied that they would be announced at the time rationing ends.

Malenkov also reported that "agents of foreign intelligence services" were seeking with persistance the weak "points among several unstable groups of our intelligentsia who bear on themselves the imprint of the old lack of faith in their own strength and are infected with the disease of sycophancy before everything foreign."

New Program Being Drafted.

He linked this situation with the present all-out campaign against servility to foreign influences being waged by Soviet press, literary, scientific and other circles.

The report also announced that the central committee of the Communist party is working on a new official party program and preparing changes in party statutes.

DEC 1947

HOLY LAND GIVEN BRITISH WARNING OF SEVERE MOVES

JERUSALEM, Dec. 10—(AP) The death toll in 11 days of Holy Land violence climbed to 131 tonight and Sir Alan Cunningham, the high commissioner, warned Jews and Arabs that unless the bloodletting ceases "severe measures" would be taken against both communities.

A British police officer and a territorial soldier died from wounds, bringing to 19 the number of deaths reported today. It was one of the worst days of scattered violence since the United Nations decision to partition Palestine.

Warfare Spreads South

The Jewish-Arab warfare spread to the southern desert, where 10 deaths were reported. Eighteen Arabs smashed their way out of Acre prison in the far north.

An Associated Press count of deaths in Palestine included 78 Jews, six British and two Armenians. The total for the entire Middle East was 243.

(A dispatch from Aden said two Arabs were killed by local police in an attack upon a Jewish shop. This would bring casualties in that Arabian port to 114 and raise the Middle East figure to 245. The dispatch added that many Jews were leaving the city in the wake of the Jew-Arab strife.

(Representatives of the Arab league held their third session in the current meetings at Cairo for organizing their forces to oppose the UN decision on Palestine. The Arab leaders were in touch with the Syran delegate to the United Nations Security Council in New York. They made arrangements also to confer here with an Iraqi official who Arab informants said had been in consultation with American and British officials on Palestine.)

In Cairo, a "Save Palestine committee" set Dec. 14 for a nationwide day of demonstration against partition. The marchers will form at Al Azhar mosque and march to the Royal palace, then go to the headquarters of the Arab league, whose representatives from seven Arab nations are in session to consider steps for opposing partition.

(A high government informant said in London the British expected the arrival of the United Nations commission in Palestine next spring to be "a signal for trouble" in the Holy Land. The commission's task will be to implement the decision on partition. The British have recommended they abrogate their mandate on May 15 and that the separate Jewish and Arab states be set up June 1. The British plan to withdraw all their troops by Aug. 1.)

Arabs in Northern Acre engaged guards with gunfire after the escaping prisoners overpowered and bound the warden in the ancient prison, an official statement said. The break came after Jewish prisoners in Acre were transferred to central prison in Jerusalem. Riots between Jewish and Arab prisoners had flared after the announcement on partition.

DEC 1947

Britain Warns Arabs, Jews On Strife

Jerusalem, Dec. 10 (AP)—High Commissiner Sir Alan G. Cunningham warned today that the British would take severe measures against both Arabs and Jews of Palestine unless they halted the strife which has cost 128 lives in eleven days.

Six Jews were killed today in the latest outburst of Arab anger against the United Nations decision to divide the Holy Land into Arab and Jewish states. The attack took place on the Jewish settlement of Gevulot, near Gaza, on the southern coast. Police drove off the attackers with gunfire.

Unofficial reports told of attacks on three or four other Jewish settlements in the southern Negeb Desert area.

House Blown Up, Killing 4

At Karatiya, in the Negeb area, an Arab house was blown up and four Arabs killed. Jewish sources said Hagana, the Jewish militia, dynamited the house because Arab fire from it killed three Jews four days ago.

In Jerusalem's old city a British constable was stabbed in the arm by two Arabs who stole his gun. At Jerusalem's Jaffa gate, Jewish busses were stoned. A Jewish taxicab was fired and its driver stabbed.

Arab Prisoners Escape.

Eighteen Arab convicts in Acre Prison escaped today while Arabs of the town of Acre engaged prison guards with gunfire, it was announced officially. A press release said that the Arab prisoners, who had been separated from Jewish inmates after fights following the United Nations partition vote, had overpowered and bound the warden.

All Jewish prisoners of Acre, numbering about eighty, had been transferred to the Jerusalem Central Prison.

Unofficial reports told of attacks on three or four other Jewish settlements in the southern Negeb Desert area.

At Karatiya, in the Negeb area, an Arab house was blown up and four Arabs were killed. Jewish

informants said that Hagana, the Jewish militia, dynamited the house because Arab fire from it killed three Jews four days ago.

In Jerusalem's old city, a British constable was stabbed in the arm by two Arabs who stole his gun. At Jerusalem's Jaffa gate, Jewish buses were stoned. A Jewish taxicab was set afire and its driver stabbed.

At the port of Haifa, two heavy explosions were reported. A Jewish policeman was stabbed and two other Jews were slain by gunfire. Three Jews and three Arabs were injured, reliable informants said. An Arab house was burned. Intermittent gunfire and grenade explosions continued through the early afternoon. Father Uriel, a Spanish priest, was wounded in the stomach in the Haifa shooting.

The British Palestine Government issued a communique saying that attacks of Jews on Arabs, Arabs on Jews and upon security forces by both "have caused grievous loss of life and extensive damage of property." It expressed determination to maintain order so long as Britain retains the mandate.

The British mandatory Government issued a communiqué saying attacks of Jews on Arabs, Arabs on Jews and upon security forces by both "have caused grievous loss of life and extensive damage of property." It expressed determination to maintain order so long as Britain retains the mandate, adding:

"The High Commissioner now gives warning the communal disorders must cease before further suffering and loss are occasioned to the population, and calls upon the leaders of the two communities for co-operation to this end. Should the disorders continue, he will have no option but to direct the security forces to adopt severe measures against all those, Jews and Arabs alike, who are breaking the law."

Reports from Tel Aviv said Mayor Israel Rokach of that all-Jewish city was expected to meet this week with Mayor Yussef Heikal of all-Arab Jaffa on security measures for the battle-torn border area between the two cities. British troops in the border area already were under orders to shoot to kill violators of public order.

A dusk-to-dawn curfew was in force in the Tel Aviv-Jaffa area. A Jew was shot in the back and killed there a few hours after he was released by police who questioned him on charges of carrying arms.

A British military dispatch rider was killed and a second was wounded by gunfire in Herzl street of Haifa, it was officially announced.

DEC 1947

Firearms Licenses Denied

A Government spokesman in Jerusalem said that numerous applications for licenses to carry firearms, particularly from Jewish civilians obliged to use rural highways, had been rejected in view of measures being taken by police and troops to assure safe travel.

A Jewish Agency spokesman said the Jew shot to death in Haifa was a member of Hagana and charged that British police fired the fatal shot. He said "it seems some are ready to pay off all kinds of scores."

Two Arab bodies were found in that region and two Jewish-owned carpenter shops were ruined by fire. Several small Jewish houses were burned and a Jew was wounded by gunfire in an industrial section of Tel Aviv.

The British troop commander confirmed today fifteen prison sentences ranging from one day to fifteen years for illegal possession of arms. Twelve of those sentenced were Arabs; the other three were Jews.

Including at least 124 killed in Aden and another four in Syria, the Associated Press count of dead in the Middle East since the communal conflicts began last week stood at 249. Property losses in Palestine alone were estimated at $10,000,000.

JEWS FLEE ADEN

ADEN, Dec. 10—(AP) Many wealthy Jews and their families have left Aden for Asmara, Eritrea, by air and sea following the communal strife which flared up here last week over the United Nations decision to partition Palestine, it was learned tonight.

The secretary of this British colony on the Southern coast of the Arabian peninsula said today that 112 persons, including 75 Jews and 34 Arabs, were killed and 160 wounded during the clashes. The other dead were three Indians.

The attacks were resumed on a lesser scale this week when Arabs raided a Jewish shop Monday at Steamer Point. Two of the Arab band were killed by police. Another attempt was made to set fire to a Jewish shop in Crater (the old town), but failed.

British airborne troops still are encamped in Crater, but the situation there was described tonight as quiet.

DEC 1947

112 Jews, Arabs Dead In Riots At Aden

Aden, Dec. 10 (AP)—The secretariat of Aden, British colony on the southern coast of the Arabian Peninsula, said today that 112 persons had been killed and 160 wounded during recent clashes over the partition of Palestine.

The death toll included 75 Jews, 34 Arabs, 2 Indians, and one from the protectorate levies, it said.

Of the wounded, the report said, 75 per cent were Arab looters.

The curfew here has been lifted, and conditions in the colony are virtually normal. Loading coal and handling cargoes have been resumed at the port.

Arab U.N. Envoy 'Disappointed'

Cairo, Dec. 10 (AP)—Amir Faisal al Saud, Foreign Minister of Saudi Arabia, declared on his arrival today from New York the United Nations "is no longer the organization we had hoped it would be."

Faisal, who headed the Saudi Arabian delegation at the United Nations General Assembly, is here to attend the Arab League conference on measures to defeat the United Nations Palestine-partition plan.

Asked by newsmen whether he believed the Arab nations should withdraw from the United Nations, in view of the Palestine decision, he replied:

"I personally would hate to attend any further meetings of the United Nations. However, I cannot advise any country. The Arab countries must discuss the question and decide their stand."

C-47 Crashes; 4 'Chute To Safety

Istanbul, Dec. 10 (AP)—American sources said late today they were informed that a United States C-47 military plane en route from Rome to Athens had crashed in western Turkey, but the four persons aboard parachuted to safety.

The plane was said to have crashed near the village of Susigirlik, in the province of Balikeshir. It was believed to have exhausted its fuel after overshooting Athens, its destination.

Meager reports to Americans in Ankara, relayed here, said the men landed on a hill and were taken on mules to a hospital in the village.

Reports from Athens said United States, Greek and British planes started a search at dawn for the lost plane.

Unofficial sources in Rome said the plane was piloted by a Lieutenant Colonel Coward and that other crewmen were a Captain McMurray, Sergeant Willis and Sergeant Barnes. The Air Force in Washington said it had no official reports on the plane or its crew, but that three men were assigned to the air attaché's office in Baghdad.

[Lieut. Col. James F. Coward, the air attaché, Erwin, Tenn.; Sergt. Hugh F. Willis, crew chief for attaché, Hickory, N.C., and Sergt. Paul A. Barnes, radioman, Springfield, Ohio. No information was available on Captain McMurray. Air Force officers speculated he might be from an air transport command base in the Near East.]

The last radio message received from the crew at about 6 P.M. (E.S.T.), Tuesday, said they were preparing to bail out somewhere in the Athens vicinity.

Headed For Athens

The plane was en route from Rome to Athens when it became lost due to bad visibility.

W. A. Burnsides, in charge of radio communications at Hassani airport, said twelve planes were taking part in the search—including five American military planes. The others included three from the Greek Air Force, three from the British Royal Air Force and one Greek commercial airlines plane.

Message Intercepted

The area of search included the Turkish coast and the Ionian Sea.

Major Arthur LeFevre, of the Air Transport Command, was supervising American participation in the search. He said there was no certainty where the missing plane might have come down.

LeFever disclosed that another American plane over Germany had reported intercepting a radio message apparently from the missing craft about midnight saying it believed it was over western Turkey.

IRAN PARLIAMENT OUSTS PREMIER IN CONFIDENCE TEST

TEHRAN, Iran, Dec. 10. — (AP) Premier Ahmed Qavam failed tonight to win sufficient votes in the Iranian parliament in a test of confidence and in accord with constitutional procedure his resignation became mandatory. The Tehran radio announced he had resigned.

At the end to a stormy and dramatic session he received 46 votes in favor and 39 against when he demanded the vote of confidence. Twenty-seven abstained.

(Apparently under Iran's constitution this was not enough margin for Qavam to retain his premiership.)

In his speech demanding confidence the veteran Iranian political leader accused the three ruling powers in Iran—the Shah, parliament and cabinet ministers—of intrigue and interference in each other's affairs.

He said that "for the last time" he would tell the Iranians some facts. He said he did not launch an attack on Azerbaijan province earlier than December, 1946—when it was under a Soviet-favored semi-autonomous regime—because "I hadn't any confidence in our army's strength."

He said similar moves for semi-autonomy in Hamadan, Malayer and Mazandar provinces last Spring were halted by his forces. He said 8,000 rifles had been distributed in each province, but that anti-government plots were discovered in time.

"I have served this country with all my power and now ask for a vote of confidence," he said. "I go and let history judge my services."

Last August and again in October Qavam succeeded in winning votes of confidence in the parliament. That was before the parliament on Oct. 22 declared void, over his protest, the understanding he reached with the Russians to permit them to explore for oil in Northern Iran.

Qavam, who had been under considerable fire in Iran for his part in the oil negotiations, was criticized in the Soviet press for following a "treacherous policy" in dealing with the Russians.

Later Russia formally charged that the voiding of the agreement was "hostile activity" and hinted that it might lead to a severing of diplomatic relations between the two countries.

Soviet Troops Withdraw

Qavam termed "unreasonable" the charge of hostility from the Russians and defended his part in the negotiations.

He was first chosen Premier in January, 1946, and headed the Government during the controversy with Russia over withdrawal of troops sent to the country during the war. Soviet troops finally withdrew from northwest Azerbaijan province during United Nations consideration of the issue.

DEC 1947

China Reds Balked In Mountains

Nanking, Dec. 10 (AP)—A Government spokesman, contradicting battle-front interpretations, declared today that recent National successes in the Ta Pieh area had frustrated Gen. Liu Po-cheng's plan to establish a permanent base in the mountain fastness.

Reviewing the past week's military situation, Lieut. Gen. Teng Wen-yi said the Government had recaptured a number of cities in the Honananhwei-Hupeh border region.

Trains Halted Two Days

Chinese press reports substantiated Teng's claims to territorial gains but reported that Liu was quitting the Communist mountain hideouts in a well planned move that threatened the vital Peiping-Hankow railroad. Until recently, that was one of the few rail lines in China kept in operation by the Government.

Teng said traffic between Chengchow and Hankow was halted two days when some 8,000 of Liu's troops crossed the railroad at Liulin station in South Honan, but was resumed yesterday.

He said 500 of Liu's troops surrendered after crossing the rail line.

DEC 1947

DEC 1947

30.24-14137

Plans Of Chinese Reds Held Foiled

Nanking, Dec. 10 (AP)—A Government spokesman asserted today nationalist victories had foiled the plans of Gen. Liu Po-chung and his Communist raiders to set up a mountain base in Central China.

The spokesman, Lieut. Gen. Teng Wen-yi, said the Government in two weeks had recaptured numerous towns and cities in the Ta Pieh Mountain area north of Hankow, big Nationalist base.

Chinese press accounts said Liu was quitting the To Pieh range, but indicated it was a well-planned operation threatening the Peiping-Hankow Railway, one of the few Government lifelines still intact.

General Teng said the Communists had interrupted traffic on the railway for two days but service was resumed Tuesday.

(Teng made no mention of a big battle west of Liulin reported in a Government communiqué Tuesday which also hinted that Liu was caught between Government forces on the east and west.

(In Shanghai, Associated Press Correspondent John Roderick, who recently returned from the central Chinal civil war zone, reported he found evidence the Communists might be moving into China's far west to set up a new base.)

China Reds Seen Trying To Carve Base In West

By John Roderick

Shanghai, Dec. 10 (AP)—The Chinese Communists appear to have undertaken a campaign to carve out a powerful new base in western China.

That goal, if realized, would have a most significant effect on the course of China's exhausting civil war.

The Reds may be bent upon fulfilling a dream of one faction which ten years ago sought to make Sikang and Sinkiang provinces the goal of their famed "long march" from Kiangsi province. Proponents argued that that would give them a base close to Russia.

Thousands Perished

The plan was abandoned after thousands perished in the marrow-chilling wilderness of the two wild provinces, which border on Tibet.

If the Chinese Communists succeed in their westward march, China would have Soviet influence on both her extreme east and extreme west.

There is conclusive evidence that the Communists have begun such a campaign. They are moving toward China's wild west, presumably with Szechwan as the focal point—from two directions. The former bandit, Ho Lung, field commander of the Pentehhuai area, is leading one operation from northern Shensi province. The second is from the mountain belt on the Ahwei-Honan-Hupeh borders.

Breaks Encirclement

The Government has acknowledged that the one-eyed Communist general, Liu Po-cheng, directing the march from the mountains, succeeded in breaking out of a Government encirclement south of the southern Honan rail town of Hsingyang. It estimated that 10,000 Reds had already crossed the rail line and were moving westward.

Some Government commanders say there is no doubt that Liu will attempt to march into Szechwan. Its capital, Chentu, has been alerted to expect an onslaught.

Szechwan, wartime base of the National Government, has openly been at odds with Nanking the past twelve months. When a student campaign to end the civil war was launched last May, Szechwan was one of the most active provinces in support of the drive.

Chinese Taxes Yield 15 Million This Year

Nanking, Dec. 10 (AP)—A semi-official source reported today the National Treasury this year has received 1,500,000,000,000 yuan (about $15,000,000) in direct taxes. That is sixteen times the total from the same source last year.

Government economics experts are drafting a new direct-tax law aimed at halting rampant tax evasions.

DEC 1947

Volunteer Hangman Out of a Job As U.S. Spares Life of Jap Officer

TOKYO, Dec. 10—(AP) There's an army sergeant back in St. Louis who's going to be mighty unhappy because a U. S. military tribunal spared the life of the Japanese prison commandant he volunteered to hang.

The Japanese who recently escaped the gallows is Capt. Yoshio Tsuneyoshi, convicted of conducting a reign of blood, torture and starvation which sent 1,400 men to their graves from ghastly Camp O'Donnell in the Philippines, after the Death March from Bataan.

Couldn't Forget

The sergeant is George H. DeLapp, who clung desperately to life in the camp. Even after he got home, he couldn't forget Tsuneyoshi—the man the prisoners knew as little Hitler, Little Napoleon, or just plain balloon pants.

DeLapp wrote a letter to the allied headquarters legal section in Tokyo. He said he was sure little Hitler would be hanged. He said frankly he wanted to come to Japan to put the hood on him, fix the noose, and pull the handle "to send him to Hell."

But Tsuneyoshi drew a lifetime cell—a fact which was caused noticeable disappointment among other Camp O'Donnell survivors with the U. S. Army in Japan today.

"If he'd been tried right after the war. . . " began one; "maybe two years has sort of softened things. . . "

Just a week earlier another Japanese commandant from the Philippines got a life sentence. He was Lt. Col. Shigeji mori of the infamous Cabantatuan camp, a classmate of wartime Premier Hideki Tojo. By his orders, American prisoners were slaughtered until the total toll from butchery and disease rose to 2,100.

Two American officers imprisoned in the camps worked tirelessly to build cases against the two Japanese. They were Capt. S. J. Gladys, Inglewood, Calif., from Cabanatuan; and Lt. Sheldon H. Mendelson, Brooklyn, N. Y., who endured O'Donnell.

"Mori orded the head of a Filipino paraded through Cabanatuan camp and then hung on its main gate under an 'American sympathizer' sign and all passing Filipinos were forced to alight from carts read the sign, bow, and pass on," Gladys testified.

Tells of Brutal Beating

Americans were put in groups of ten, and if one tried to escape the other nine were summarily slain, he added. Mori turned judo experts loose on three officers and "they broke the men's bones." He named the ofifcers only as Lt. Col. Biggs, Lt. Col. Brighton and Navy Lieutenant Gilbert.

"Biggs' broken jaw was tied with barbed wire," he testified. "Because he cried out, he was trussed to a post and kicked. Filipinos were forced to slap him. Then he was beheaded while the other two were shot."

Gladys now is a graves registration officer in Manila, hunting bodies of men sent out of Cabanatuan in a labor gang—men who never came back.

Mendelson testified that when "we were dragged into O'Donnell from the Death March, Tsuneyoshi stood there hating us all and said 'you are Americans but I choose to grant your life.' Then he had each man searched and any found with Japanese money, fans or other souvenirs was killed."

Mendelson, whose permanent station is Camp Carson, Colo., said the 200th coast artillery of the New Mexico national guard suffered horribly under Tsuneyoshi.

"Each morning we dug a pit for our dead," he told the tribunal. "We had as many as 150 a day. Men died because Tsuneyoshi turned away Filipino food at the gate. Men had to stand in line for eight eight to ten hours to drink from a single spigot. Yet only a few feet away the Japs were taking showers."

That was the regime of little Hitler-balloon pants Tsuneyoshi—the man sergeant DeLapps will never hang.

Money Litters Bank of Japan

TOKYO, Dec. 10 (AP)—Inflation has so boosted the issue of Japanese currency that the Bank of Japan is stacking bales of money in its employees' meeting room, the women's dining room and hallways. Worried bank officials have ordered a new vault.

DEC 1947

'Aging' Jap Girls Besiege Cupid

D HENNESSY

Tokyo, Dec. 10 (AP)—All the Japanese girls who are hunting husbands are mighty worried because every last one of them will become a full year older, come January 1.

In Japan, a new calendar year adds a year to everyone's age. A baby is considered 1 year old the day he is born; and if he happens to be born the last day of December, he becomes 2 years old next day.

So That's Why They Rush Him

The information about the worried ladies scurrying for year's-end husbands comes from one Masao Sasaki, a 33-year-old bachelor who works in a private mating agency operating under the name Marriage Salvation. And some of the girls, Sasaki says, really want to be saved.

Sasaki had overlooked the New Year age angle until one of his clients—who was losing that doll-like shyness that made Japanese women so charming before the war—told him to hurry up and get her a husband.

"I'll be one year older with the new year," she said, "and one little year can ruin a girl aspirant's ambitions."

"By gee!" said Sasaki, who turns a sharp bit of postwar English these days, "I never thought of that. Maybe that's why I'm so busy right now."

Sasaki thumbed his index cards of applicants ready to pay solid cash fees for the right sort of mates. Mostly, they're people in financial difficulty as the result of the war. The old, solid families still do their own matchmaking.

Reads Some Of The Bids

He read aloud:

"Wanted, wife—one with 500,000 yen ($10,000) asests. Appearance disregarded. Applicant . . . 40 years old, openhearted and trying hard to re-establish his business.

"College student—has exhausted all resources for education. On brink of abandoning same. Wants assistance. Age 24. Will tolerate wife up to 26."

One woman wanted a husband with a three-room house in Tokyo. "Hopeless," said Sasaki. "She's 27, with parents and four brothers." He shuddered. "The whole family wants to filter into the bridegroom's house."

Claims 20 P.C. Success

Sasaki said he gets mates for about twenty per cent of his applicants.

Saddest of all, he said, are applications from war widows; they need men to care for their children.

By now, he has the mating instincts of both men and women in Japan pretty well classified—like this:

Twenty years old—want a mate healthy and pleasant.

Thirty years old—want a hard-working husband or a good housewife.

Forty years old—want money, even if children go with it.

After 50—satisfied with companionship.

JAPS CURB INDUSTRY

Tokyo, Dec. 10 (A. P.).—After passing the controversial law to decentralize Japanese industries with excessive economic power, Japan's Diet ended its longest session today—and promptly opened a new one.

The passage of the bill came after Allied Headquarters officials had forced it out of a committee pigeonhole. The measure, written at Allied Headquarters in conformity with a directive of the Far Eastern Commission in Washington, had been delayed after the draft raised sharp American business criticism. James Lee Kauffman, a New York attorney, said that the bill was one of the Allied Command's economic policies which were leading "toward Socialism" and "endangering Japanese friendship" fo America.

The first Diet session under the new Constitution lasted 204 days. Committee organization for the new session will be completed promptly, leaders said, then both houses will recess until January 20.

DEC 1947

DEC 1947

Shiratori Defends His Efforts In Italy

Tokyo, Dec. 10 (AP)—Toshio Shiratori, former Ambassador to Italy, testified today that his "reputation as a stanch advocate of the Axis pact was out of all proportion to the actual role I was permitted to play in the matter" in 1939.

Shiratori told the International War Crimes Tribunal he was required to make many public statements as prewar Ambassador in Rome in pursuance of Japan's policy of diplomatic pressure against the United States and Great Britain.

Japan did not desire actual alignment with Germany and Italy as much as "the effect such a gesture on Japan's part would have on England and America in regard to their Far Eastern policy" of supporting Chiang Kai-shek in China, he defendant added.

Red Oscar.

Tokyo (A. P.).—Guess what's the big movie smash hit in Toyko now. No, it isn't American. It's "Rock and Flower," a Russian effusion on the life and love of a sculptor, The film won last year's Stalin prize.

Dutch Doubtful Of Java Peace

Batavia, Dec. 10 (AP)—The Netherlands delegation assigned to negotiate with representatives of the Indonesian Republic for an end to hostilities in the East Indies said today that the Dutch doubted the talks could be "fruitful" until the August cease-fire order was made fully effective.

It was made clear, however, that the Dutch do not intend to abstain from political negotiations while technical committees strive to work out some means of implementing the United Nations Security Council's cease-fire order, which never was entirely obeyed by forces in the field.

The United Nations Good Offices Committee, which is conducting the negotiations, said it would meet separately with the two delegations tomorrow.

The date of the next face-to-face session by the Indonesians and the Dutch was not stated.

Senate In Argentina Sentences Local Editor

Tucuman, Argentina, Dec. 10 (AP)—The Tucuman provincial senate voted 9 to 3 today to impose a sentence of 30 days arrest on Jose Ricardo Rosenvald, editor of the Tucuman newspaper *La Orden*, for a series of articles critical of several senators. The newspaper supports the national government of President Juan D. Perón.

Canada House Hears Anti-Communist Bill

Ottawa, Dec. 10 (AP)—The House of Commons today gave first reading to a bill, sponsored by Wilfrid Lacroix, Independent-Liberal member from Quebec, which would ban the Labor-Progressive party and Communist organizations in Canada.

The Labor-Progressive party was formed when the Communist party was outlawed in Canada during the war.

G.O.P. AGREES ON 4-POINT BILL TO COMBAT INFLATION

It Will Aim at Voluntary Industry Agreements to Hold Prices in Line.

Washington, Dec. 10 (A. P.).—Republican congressional leaders agreed today on a four-point anti-inflation program for enactment during the present session of Congress.

Senator Taft of Ohio, chairman of the Senate Republican Steering Committee, and Representative Halleck of Indiana, Republican leader in the House, announced that the program provides for:

1. Voluntary industrywide agreements to hold living costs in line. Anti-trust laws would be set aside temporarily for such agreements, and the administration would be given money to promote such a program.

2. Continuation and expansion of export controls.

3. Increase, from the present 25 per cent to 40 per cent the gold reserves required behind currency issues by Federal Reserve banks; and increase from 25 to 35 per cent the gold reserves that Federal Reserve banks must carry to support the deposits of commercial banks.

4. Controls over vital transportation facilities, such as boxcars.

The Republicans drafted their program as a reply to President Truman's request for broad powers to resume rationing and price controls if the administration should decide they are necessary. A draft of a bill covering most of the President's request was presented by Secretary of Commerce Harriman yesterday to a Senate Judiciary sub-committee, but Republicans have made clear that measure will get no where.

Even before the Republican program was officially announced, it had come under attack from Democrats. Representative Gore (D.-Tenn.) accused the G. O. P. of "rubber stamping" for "big business" by proposing voluntary industrywide agreements.

Taft said a single bill embodying all four points of the Republican program will be introduced in the House immediately by Representative Wolcott (R.-Mich.), chairman of the Banking Committee. Wolcott told reporters he plans to hold hearings on the bill tomorrow and said they should not last more than one day.

Taft and Halleck announced the plan after a meeting of Senate and House Republican leaders in the office of Speaker Martin. They said they hope that the single bill can be enacted in time to permit Congress to adjourn on December 19.

Committee Backs Credit Curbs.

About the time this meeting was breaking up on the House side of the Capitol, the Senate Banking Committee approved one point of the President's anti-inflation program—legislation to restore limited consumer credit controls through March 15, 1949. Senator Tobey (R.- N. H.), the chairman, told reporters the vote was 9 to 4.

He said three Republicans—Tobey and Senators Buck (R.-Del.) and Flanders (R.-Vt.)—joined the six Democrats on the committee in casting ballots for the bill. Four Republicans voted against it.

The bill approved by the committee simply authorizes the Federal Reserve Board to restore controls on installment buying. This excludes regular charge accounts from any restriction.

Details of the program — consumer goods to be covered, the amount of down payment required and how much time to pay the balance—would be left to the Federal Reserve Board, as under the control program which expired November 1. That program covered such products as automobiles, washing machines and refrigerators. In general customers were required to pay one-third down on these and had to pay the remainder in fifteen months.

Rank and File Not Bound.

Halleck, talking with reporters after the meeting in Martin's office, emphasized that the anti-inflation program the G. O. P. group decided on is the idea of the Republican leadership and that rank and file members are not necessarily committed to it.

The leadership also agreed that a single appropriation bill should be whipped together providing funds for emergency foreign relief, occupation needs of the Army, and for administration of the anti-inflation program.

Taft said the subject of consumer credit controls will be handled separately "if at all," but indicated that no action is likely at this session. That statement did not close the door, from the standpoint of the leadership, against action on the measure approved by the banking committee.

The House will consider both the appropriation and the economic bills first, Halleck said.

Attending the conference besides Halleck, Martin and Taft were Senators Cooper of Kentucky and Wiley of Wisconsin, and Representatives Taber of New York, Michener of Michigan, Arends of Illinois, Brown of Ohio and Wigglesworth of Massachusetts.

Capehart Amendments Beaten.

Before approving the consumer credit legislation, the Senate Banking Committee defeated by voice vote an amendment by Senator Capehart (R.-Ind.) which would have fixed the maximum down payment at 25 per cent with at least two years to pay the remainder.

Also batted down by voice vote was another Capehart amendment which would have prohibited the imposition of credit controls until outstanding installment buying credit reached a total of $6,000,000,000. Committee aids said installment credit at present amounts to between $2,000,000,000 and $3,000,000,000.

The committee took a middle course in voting for controls through March 15, 1949. The Federal Reserve Board had asked for permanent power to regulate credit buying. But the board's twelve-man advisory council of private bankers opposed the reimposition of controls. Representatives of half a dozen trade organizations also urged the committee to vote against restrictions.

Voting for the bill with the three Republicans were these Democrats: Senators Wagner (N. Y.), Maybank (S. C.), Taylor (Idaho), Fulbright (Ark.), Robertson (Va.) and Sparkman (Ala.).

These four Republicans voted against the bill: Senators Capehart, Cain (Wash.), Bricker (Ohio) and McCarthy (Wis.).

Want to Study Bill, Freshmen Senators Say

WASHINGTON, Dec. 10—(AP) A group of freshmen Republican senators decided tonight that before committing themselves to support it, they want to know more about the four-point anti-inflation program agreed on today by the party's congressional leaders.

Senator Baldwin (R-Conn), speaking on behalf of the first termers, told a news conference the group will express this opinion to the Senate Republican policy committee headed by Senator Taft (Ohio).

Baldwin met with reporters after a four-hour session called to discuss the G.O.P. program announced earlier by Taft and House Republican Leader Halleck (Ind).

Baldwin said the senators read the bill for the first time at their meeting tonight, and that there were some parts they did not understand.

Senator Cain (R-Wash) broke in to say that one point which was not clear was just what effect a proposed requirement for bigger gold reserves in Federal Reserve banks would have in checking the expansion of bank credit.

Baldwin said "we want to know more about the bill before committing ourselves." He added, however, that none of the senators had expressed outright opposition.

The Connecticut lawmaker said Senator Flanders (R-Vt) reiterated his view that a program of voluntary meat rationing should be undertaken at once. Baldwin said he agreed with Flanders on this but that there was no suggestion that this should be made a part of the current Republican program.

He added that the possibility of having to turn to statutory rationing also was discussed, as was the possibility of voluntary and perhaps compulsory rationing of gasoline and fuel oil.

Baldwin said he wanted to emphasize that there "isn't any rebellion" by the freshmen senators against the Republican leadership in Congress.

TEXT

Special to THE NEW YORK TIMES.

WASHINGTON, Dec. 10—Text of the Republican Anti-Inflation Bill follows:

JOINT RESOLUTION

To aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled.

DECLARATION OF PURPOSES

Section 1. The purposes of this Joint Resolution are to aid in stabilizing the economy of the United States, to aid in curbing inflationary tendencies, to promote the orderly and equitable distribution of goods and facilities, and to aid in preventing maldistribution of goods and facilities which basically affect the cost of living or industrial production.

VOLUNTARY AGREEMENTS

Section 2(a). In order to carry out the purposes declared in Section 1 of this Joint Resolution, the President is authorized to consult with representatives of industry, business, and agriculture with a view to encouraging the making, by persons engaged in industry, business, and agriculture, of voluntary agreements—

(1) Providing for allocation of transportation facilities and equipment;

(2) Providing for the marketing of livestock and poultry at rates and grades that represent the most efficient utilization of grain;

(3) Providing for allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production;

(4) Providing for regulation of speculative trading on commodity

DEC 1947

30.24- 14139

exchanges; or

(5) Which will otherwise carry out the purposes declared in sections 1 of this Joint Resolution.

(B) The President is authorized to approve any such agreement which he finds will carry out any of the purposes declared in section 1 of this Joint Resolution except that he shall not approve any agreement (1) which provides for the fixing of prices, or (2) unless such agreement specifically provides that it shall cease to be effective on or before March 1, 1949.

(C) Parties to any agreement approved under this section are hereby relieved from the operation of the anti-trust laws, and of all other restraints, limitations, and prohibitions of law, with respect to the making of such agreement and with respect to carrying out such agreement prior to March 1, 1949, in conformity with its provisions.

(D) As used in this section the term "person" means an individual, corporation, partnership, or association.

EXPORT CONTROLS

Section 3 (A) section 6 (D) of the Act of July 2, 1940 (54 stat. 714), as amended, is amended by striking out "February 29, 1948" and inserting in lieu thereof "February 28, 1949."

(b) Notwithstanding any other provision of law, the President in the exercise of the powers, authority and discretion conferred upon him by such act of July 2, 1940, as amended, is authorized to use price criteria in the licensing of exports, either by giving preference among otherwise comparable applications to those which provide for the lowest prices, or, in exceptional circumstances, by fixing reasonable mark-ups in export prices over domestic prices.

ALLOCATION OF TRANSPORTATION FACILITIES

Section 4. Notwithstanding any other provision of law, Title III of the Second War Powers Act, 1942, as amended, shall continue in effect to and including Feb. 28, 1949, or such earlier date as the Congress by concurrent resolution or the President may designate, for the exercise of the powers, authority, and discretion conferred on the President by such Title III with respect to the use of transportation equipment and facilities by rail carriers.

DELEGATION OF AUTHORITY

Section 5. The authority granted to the President by Section 2 of this Joint Resolution and, notwithstanding the provisions of Section 6 of the Second Decontrol Act of 1947, the authority granted to the President by Section 4 of this Joint Resolution and by Section 6 of the Act of July 2, 1940 (54 Stat. 714), as amended, may to the extent the President directs, be exercised by any department, agency, or officer in the executive branch of the government.

RESERVE REQUIREMENTS APPLICABLE TO FEDERAL RESERVE BANKS.

Section 6(a). The third paragraph of Section 16 of the Federal Reserve Act, as amended, is amended by changing the first sentence of such paragraph to read as follows:

"Every Federal Reserve Bank shall maintain reserves in gold certificates of not less than 35 per centum against its deposits and reserves in gold certificates of not less than 40 per centum against its Federal Reserve notes in actual circulation: provided, however, that when the Federal Reserve agent holds gold certificates as collateral for Federal Reserve notes issued to the bank such gold certificates shall be counted as part of the reserve which such bank is required to maintain against its Federal Reserve notes in actual circulation."

(b) The first sentence of the Fourth Paragraph of Section 16 of the Federal Reserve Act, as amended, is amended by striking out "25 per centum" and inserting in lieu thereof "40 per centum."

Reserve Requirement Revised

(c) Subsection (c) of Section 11 of the Federal Reserve Act, as amended, is amended to read as follows:

"(c) To suspend for a period not exceeding thirty days, and from time to time to renew such suspension for periods not exceeding fifteen days, any reserve requirements specified in this Act: provided, that it shall establish a graduated tax upon the amounts by which the reserve requirements of this Act may be permitted to fall below the level hereinafter specified: and provided further, that when the reserve held against Federal Reserve notes falls below 40 per centum, the Board of Governors of the Federal Reserve System shall establish a graduated tax of not more than 1 per centum per annum upon such deficiency until the reserves fall to 32½ per centum, and when said reserve falls below 32½ per centum, a tax at the rate increasingly of not less than 1½ per centum per annum upon each 2½ per centum or fraction thereof that such reserve falls below 32½ per centum. The tax shall be paid by the Reserve bank, but the Reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Board of Governors of the Federal Reserve System."

AUTHORIZATION FOR APPROPRIATIONS

Section 7. There is hereby authorized to be appropriated such amounts as may be necessary for purposes of carrying out the provisions of this Joint Resolution.

U.N. TO OPEN RUSS OFFICE

Information Center in Moscow Gets Soviet Approval

Lake Success, N.Y., Dec. 10 (AP)—The United Nations is completing arrangements to open an information center under supervision of a Soviet national in Moscow January 15 for dissemination of United Nations public intelligence and measurement of its reaction on the Russian people, it was learned today. The full extent of Soviet control over the project still was not clearly defined.

A high United States official said the Kremlin had agreed to the plan but that details such as personnel and operating procedures still must be ironed out. This official said a Russian officer employed by the United Nations would be in charge and the Soviet Government would rule on visas for any of the five assistants to be eventually assigned to him by the United Nations secretariat.

Tass Previous Channel

So far the main avenues for getting information on the United Nations to the Russian people have been through dispatches transmitted to Russia by Tass, the official news agency, and from correspondents of the Moscow newspapers *Pravda* and *Izvestia*.

The United States State Department's "Voice of America" broadcasts, including United Nations developments in general news summaries, also have a Russian audience.

Sampling of Russian reaction in the past has been possible mainly through United Nations monitoring of the Moscow radio.

Moscow's will be third United Nations information office established in eastern Europe. Warsaw and Prague already have offices. The network of information centers includes London, Paris, Geneva, Copenhagen, New Delhi, Shanghai, Mexico City, Rio de Janeiro and Washington. Nationals of foreign countries serve on most of these staffs.

Funds For Cairo Office

Appropriations have been made by the General Assembly for another center in Cairo, but these plans have not materialized.

Benjamin Cohen, assistant secretary general in charge of information, declined to comment on the Cairo situation, but it was understood from other sources that the United Nations is reluctant to set up an office there now in view of the tense situation in the Middle East over the United Nations Assembly decision for partitioning Palestine.

The Cairo situation leaves Africa and Australia as the only continents without a United Nations office.

The information centers serve a dual purpose. They pass out United Nations documents and intelligence, arrange for pro-United Nations speakers, encourage widespread use of published United Nations material, and work with civil groups. They also report to Trygve Lie, secretary general, on reaction as reflected through the domestic press and radio.

Serve Dual Purpose

These reaction reports reach here by cable and are processed in a weekly world-wide opinion survey issued semi-privately. This survey is made available to news correspondents here, but it may not be quoted from. It is open to the entire United Nations staff and to delegations. Press clippings sent from abroad are examined by a special staff, circulated to United Nations personnel concerned with particular problems, and then filed for reference.

Lie announced during the day that the year-round "Little Assembly" will convene here for the first time January 5. Russia, the Ukraine, White Russia, Poland, Yugoslavia and Czechoslovakia already have announced that they will boycott the meetings.

U.N. Little Assembly Sets Jan. 5 Meeting

DEC 1947

Lake Success, Dec. 10 (AP)—Secretary General Trygve Lie announced today that the year-around "little assembly" of the United Nations would convene for the first time here on January 5.

The "little assembly" was created by the regular 1947 Assembly at the suggestion of Secretary of State Marshall, but Russia, the Soviet Ukraine, Poland, Yugoslavia, White Russia and Czechoslovakia declared they would refuse to attend on grounds that the new body was illegal and contrary to the United Nations Charter.

Lie at his weekly news conference said he had received no official notification of the Soviet bloc boycott announced by delegates of the six countries at the regular Assembly which ran from September 16 to November 29, with all 57 member nations attending. The Soviet boycott would reduce the active membership on hand to a maximum of 51 nations.

To Preside At Opening

The secretary general said he would preside at the opening session January 5 pending selection of a chairman. The staff expects the new body to meet about twice a week. The big-power veto, used 22 times by Russia in the Security Council, is one of the subjects listed for debate.

Lie announced that the commission to supervise elections and independence for Korea, also created at the suggestion of Marshall, would leave January 2 and hold its first session in Seoul sometime before January 10.

The Soviet Ukraine, one of the nine nations named by the Assembly to the Korean commission, has announced refusal to serve, and it was considered likely that Russia would baf the commission from Soviet-occupied northern Korea. Commission headquarters will be in United States-occupied southern Korea.

To Inspect Sites

Accompanied by Assistant Secretary General Adrian Pelt and other advisers, Lie will leave for Europe January 9 to inspect nominated sites for the 1948 General Assembly. He plans to go first to Geneva and later to Paris, Brussels, Prague and The Hague.

Lie said he also might visit the Assembly's Balkan watch commission in Greece and the five-nation special Palestine partition commission after it reaches the Holy Land.

Lie said delegates to the Palestine commission had not yet been named officially by the member countries—Panama, the Philippines, Bolivia, Czechoslovakia and Denmark—but that their first session was planned here before Christmas. No date has been set for the commission to enter Palestine.

Moslems Gird For Fight

Dr. Fadhil Jamali, Foreign Minister of Iraq, said that the fight of the Moslem world against partitioning of Palestine would begin in full force as soon as the British pull out of the Holy Land.

Commenting on the action of the Security Council in refusing Arab requests for full debate on the issue now, Dr. Jamali said:

"Regardless of what delegates say now, the issue is bound to come up in the Security Council when the general struggle begins.

"Plans are being made over there now for the fight. It will begin in full force when the British end their mandate and begin pulling troops out of Palestine."

Leaving For Iraq

Dr. Jamali said he was leaving for Iraq tomorrow, but would be ready to return to the United Nation at any moment if "the interests of the Arab world" demand his presence here.

He indicated that the Arabs had no immediate plans to renew their efforts to force Council debate again and said that "other delegates may find it necessary in time to initiate discussions."

The Council action leaves the Palestine issue dormant on its calendar, along with a long list of other subjects. The Council has no new items and no time was set for the next meeting.

DEC 1947

DEC 1947

No 'Middle East'

Washington, Dec. 10 (AP)—The State Department says the Near East includes twelve countries and a number of Arabian principalities.

A department official undertook the definition today in response to a reporter's inquiry prompted by various references to the area in dispatches on the Palestine disturbances.

The department's Division of Near Eastern Affairs is responsible for relations with Palestine, Trans-Jordan, Lebanon, Syria, Iraq, Egypt, Anglo Sudan, Saudi Arabia, Yemen and Arabian principalities.

Greece, Turkey and Iran are administered separately but officials said they too are considered part of the Near East.

Some of these territories have been included in the Middle East by various authorities and the State Department itself referred last week to Palestine and several neighbors as Middle Eastern countries. This later was explained as a slip.

The term "Middle East" is avoided in the State Department administrative setup. Under the Division of Southern Asia Affairs are Pakistan, Afghanistan, India, Nepal, Burma and Ceylon.

Definition of the Far East is officially fixed. In this area are placed Japan, China, Korea, the Philippines, Siam, Indo-China, Malaya, British Borneo, various Pacific islands and the Netherlands East Indies.

affairs of the small ones, the more they can hope for the accomplishments of their ends and aims.

"It is one of the current errors of the Western powers to believe that democracy can be established overnight in countries where it never existed. Free and fair elections are not enough as the prerequisites of democracy:

"A balanced economic situation, an adequate education and a complete change of the social structure are still missing x x x peace cannot be secured by using any of these countries as a football which is kicked from the East and the West in the world series of mankind."

Red Cross Handling Of Aid Is Rejected

Washington, Dec. 10 (AP)—Red Cross distribution of food to be sent Europe under the emergency foreign aid bill was proposed in the House today, but failed to get consideration.

Representative August H. Andresen (R., Minn.) offered an amendment under which two-thirds of the food received by France, Italy and Austria would be distributed free among "needy persons in low-income groups" through the Red Cross and such other relief, charitable and church organizations as might be approved.

But Representative Michener (R., Mich.), presiding over the House, ruled that the amendment could not be considered under House rules. He said it was a "very difficult" ruling because his personal preference would be to "see the Red Cross in the picture."

Halleck Demands Slash

The ruling came as the House drove into a third day of action on amendments to the bill. Prospects of a cut in the $590,000,000 total aid the bill would authorize were increased when House Republican Leader Halleck, of Indiana, lined up with those demanding a reduction.

In advance of final House action, the Senate decided to object to any changes from the $597,000,000 measure it has passed. This was done at the suggestion of Senator Vandenberg (R., Mich.), who told the Senate "there is ample precedent" for making such a decision before the House acts.

Named as a committee to try to work out a compromise between Senate and House versions were Vandenberg and Senators Capper (R., Kan.), White (R., Maine), Connally (D., Texas) and George (D., Ga.).

What Senate Bill Provides

The Senate bill, in line with President Truman's request, calls for aid to France, Italy and Austria.

The House Foreign Affairs Committee not only knocked off $7,000,000 from the total, but added China to the list of nations to be helped.

Word was circulating that House Democrats might try to eliminate the provision for $60,000,000 of assistance to China. That would leave $590,000,000 for Italy, France and Austria.

Halleck said only that he believed "a further reduction" should be made.

He declined to set a definite figure, saying that "a reaosnable amount should be provided," but adding:

"Debate on both sides has demonstrated a great concern over the impact the foreign-aid program may have on our domestic economy."

Writing Appropriation Bill

Chairman Taber (R., N.Y.) of the House Appropriations Committee had previously described the $590,000,000 as "too liberal." The committee is writing an appropriation bill to carry out the program set up in the aid legislation.

One amendment awaiting consideration would lop $290,000,000 from the bill. Drafted by Representative Jonkman (R., Mich.), of the Foreign Affairs Committee, it was given little chance.

Other amendments pending would transfer administration of the foreign aid to the United Nations, a proposal rejected by the Senate, and prohibit the export of grains to nations using grain to manufacture beer or other alcoholic beverages.

Marshall-Paln Sum Pared

The Administration, meanwhile, pared $1,700,000,000 off its previous top estimates of the cost of the four-year Marshall plan.

Government officials said Mr. Truman would tell Congress in a special message either late this week or early next week that the maximum cost now is calculated at $18,300,000,000 instead of the $20,000,000,000 Secretary of State Marshall mentioned last month.

Instead of Marshall's minimum estimate of $16,000,000,000, the new figure is $15,700,000,000. Similarly, where Marshall said the first fifteen months would require an outlay of $7,500,000,000, the Administration now figures on $7,250,000,000 beginning next April 1.

Red Cross To Set Up Regional Blood Units

Washington, Dec. 10 (AP)—The American Red Cross is going to establish a nation-wide network of regional blood centers.

Basil O'Connor, president, said tonight that the program calls for setting up, in co-operation with doctors and hospitals, 140 metropolitan centers with 250 secondary centers in smaller communities and several hundred mobile units serving rural areas.

The first center will be opened January 12 in Rochester, N.Y., O'Connor's statement said, adding that the service will be furnishing whole blood and blood derivatives to the entire country in three to five years.

Free, One-Way Tickets To Moscow Proposed

Hartford, Conn., Dec. 10 (AP)—The Connecticut Secretary of the State's office approved papers today organizing the American Anti-Communist League, whose slogan is a "free one-way ticket to Moscow."

Albert B. Epstein, a restaurant cashier and one of the founders, said the league will give a "free, first-class, one-way ticket to Moscow" to any American Communist who renounces his citizenship and promises to "go to Russia and stay there."

Epstein said:

"I lived in Russia at the time of the revolution and have had enough of communism."

DEC 1947

CARE Withdraws Romanian Service

New York, Dec. 10 (AP)—CARE, Inc., said today it had ended operations in Romania because the Romanian Government had tried to collect customs on CARE packages, tried to control distribution and arrested a CARE representative.

Paul Comly French, executive director of CARE (the Co-operative for American Remittances to Europe), said that despite an agreement with the relief agency, Romania had hampered delivery of packages and even subjected beneficiaries to questioning.

CARE will accept no further orders for Romania, French said, and money now is being refunded in full to all Americans who donated for packages which could not be delivered.

He said protests to the Romanian Government directly and through diplomatic channels had been "unavailing."

CARE began its operations in that country "at the urgent request of the Romanian Government," French said, adding:

"This decision is the more regretted because CARE has no doubt as to the continued need of the Romanian people."

Seeks Greek UNRRA Supplies

Washington, Dec. 10 (A. P.).—An effort to restore to American control some $75,000,000 worth of UNRRA supplies reported lying idle in Greece was begun today by Senator Ferguson (R.-Mich.).

Ferguson told a reporter he is considering inserting in any new Greek aid measure a provision requiring the Athens government to turn over for American distribution all remaining United Nations Relief and Rehabilitation supplies.

Administration officials have indicated they may have to ask for more money for Greece when the $400,000,000 voted by the last Congress for aid to that country and Turkey runs out.

Ferguson said reports brought back by Senate Appropriations Committee colleagues who visited Greece indicate that Dwight Griswold, the program administrator, has been unable to get the Greeks to turn over to him the supplies that UNRRA left there.

Senator Brooks (R.-Ill.), who said he saw hundreds of Diesel-powered water pumps rusting in the open, confirmed this.

Holding Line In Greece Urged

Denver, Dec. 10 (AP)—The economic and military situation in Greece has "deteriorated," a top State Department official said today, adding it is "imperative the line be held . . . whatever the cost and no matter how long it takes."

"Our activities there have not yet begun to pay off," George C. McGhee, co-ordinator of the $300,000,000 American-aid program to Greece, asserted in an address prepared for the Rocky Mountain office of the American Association for the United Nations.

Part Of Fund Previously Voted

McGhee's remarks were interpreted by diplomatic officials in Washington, where his text was distributed in advance, as another hint that the Administration intends to ask Congress for more funds to extend the American assistance program.

The Greek aid is part of a $400,000,000 fund voted by Congress earlier this year with the avowed objective of bolstering Greece and Turkey against Communist pressures.

Citing the "great strategic value" of southeastern Europe and the Middle East, McGhee termed those sectors tempting to "an aggressive and ambitious power."

Any outside power which could take over the strategic and economic resources of this area, he continued, "might well be able to decide the destinies of at least three continents and create dangers to the security of this country that would make the past dangers insignificant in comparison."

"Peculiarly Vulnerable"

McGhee declared that many Middle Eastern countries are "peculiarly vulnerable" to outside aggression because of their "heavy economic difficulties.

"International communism is losing no time in entering that door, creating further weaknesses, instability and discontent with ulterior political motives."

Saying it is clear that "Greece is a sort of pilot operation" for the area, McGhee added that "if Greece should fall under the control of an armed Communist minority" the effect on Turkey would be immediate and dangerous."

"Confusion and disorder might well spread throughout the Middle East," he declared.

Threat To Western Europe

This would cause "especially

HUNGARIAN ENVOY OPPOSES AID PLAN

PITTSBURGH, Dec. 10 (AP)—Hungary's minister to the United States, Rustem Vambery, tonight went on record as opposing U. S. aid to Europe. Speaking of his own country, he said, "if we were left alone, economic conditions could be improved much faster."

He spoke before Pittsburgh's Foreign Policy association in a debate with Frederic Sterbenz, foreign editor of The Cleveland Press, who said aid to Western Europe "must be put on an incentive basis if it is to succeed."

Said Vambery, "the less the big powers interfere with the internal

DEC 1947

DEC 1947

DEC 1947

DEC 1947 30.24-14141

grave consequences" in western Europe, where only recently the "valiant resistance to democratic forces against communism has turned the tide in favor of the anti-Communist," McGhee said.

To back up his contention that conditions in Greece are "still critical," McGhee cited what he called "substantial gains" made by the Communist-led guerrilla forces, a severe drought which has cut the wheat crop by one third, and resulting inflation.

Control Of Goods Sought

Washington, Dec. 10 (AP)—An effort to restore to American control about $75,000,000 worth of United Nations Relief and Rehabilitation administration supplies reported lying idle in Greece was begun today by Senator Ferguson (R., Mich.).

Ferguson said he is considering inserting in any new Greek-aid measure a provision requiring the Athens Governments to turn over for American distribution all remaining UNRRA supplies.

Saw Pumps Out In Open

Ferguson said reports brought back by Senate Appropriations Committee colleagues who visited Greece indicate that Dwight Griswold, the program administrator, has been unable to get the Greeks to turn over to him the supplies that UNRRA left there.

Senator Brooks (R., Ill.), who said he saw "hundreds" of Diesel-powered water pumps rusting in the open, confirmed this. But Brooks said he is under the impression that unless the Greeks cooperate, Griswold's agency will not be able to distribute the supplies properly.

Confirming reports that the committee members had been denied access to any casualty lists of the Greek Army's brushes with Communist-led guerrillas, Brooks said he learned that the guerrillas are almost exclusively armed with American weapons.

Says Tito's Guns Captured

Like other committee members, Brooks said he doubts that much fighting is going on. But he added: "I asked our American military people if the Greek Army had ever captured any but American guns from the guerrillas. They said that so far as they know, the Greeks had not. It seems that American guns which were furnished to Tito's (Yugoslav) forces in the war are now opposing American guns that we are sending to Greece."

Brooks said he does not think that 2,000 American bombers should have been destroyed on German fields, an order he and other committee members said had been carried out.

Saltonstall Defends Army

However, Senator Saltonstall (R., Mass.) said he doesn't believe the Army can be blamed for destroying the planes because Congress had made it clear immediately after the war that it didn't want to turn war material over to other nations.

Saltonstall agreed with Ferguson that Griswold's organization should take over the remaining UNRRA supplies for distribution, adding that this question is going to come up when appropriations bills come before the committee.

Reds 'On March' In Congo Atom Ore Area

Buck Hill Falls, Pa., Dec. 10 (AP) Communism is on the march in the Belgian Congo, one of the world's major sources for uranium ore, Newell Booth, Methodist bishop for Africa, declared today.

"The church can combat communism there," he added. "But we must act now or it will be too late."

The 44-year-old churchman, youngest of all United States Methodist bishops, is here for the annual meeting of the Board of Missions and Church Extension of the Methodist Church.

Conditions Cited

He will remain in this country until after the general conference of the church next April in Boston and then return to his duties as the highest Methodist official in an area which stretches 3,000 miles from Luanda on the African west coast to Lourenco Marques on the Indian Ocean and the same distance from just below the equator to Johannesburg.

Four conditions, Bishop Booth said, have made that area fertile for the seeds of communism. They are:

1. A breakdown of the old religicus beliefs with nothing to replace them.
2. The great lack of educational facilities.
3. Economic and social inequalities and injustices.
4. The political impotency of the people in that they have no part in the Government.

To fight communism, he said the church "must support the liberal elements of colonial governments in Africa and work with the United Nations Commission on Trusteeship as well as UNESCO."

Unionists Blamed

Bishop Booth, a native of Belchertown, Mass., and one-time pastor of churches at Bryanthville and New Bedford, Mass., declared the first impact of communism came after the last war.

"It is being spread by individuals within labor unions of the colonials," he said.

In addition to the important uranium sources in the area, the Bishop pointed out the Belgian Congo has rich deposits of copper, diamonds, tin, chromium and cobalt.

Hospital Aid Needed

He declared the immediate need is for sufficient aid to staff hospitals in central Congo.

Another problem presented to the board of missions came from Dr. Earl R. Brown, executive secretary of home missions and church extension, who urged a widespread church building program for the 347,000 Negro members of the Methodist church in this country.

The extension program calls for the building of one new church for each day of the next four years. The Negroes' share in the 1948 program will be 42 churches, he said.

Machinery Still Goes to Russia From U.S. Zone

Royall Tells of Shipments From Plants; Bridges Calls It 'Unbelievable'

WASHINGTON, Dec. 10 (AP).—Secretary of the Army Kenneth C. Royall told the Senate Appropriations Committee today that large shipments of machinery from dismantled German war plants are still being sent from the American occupation zone to Russia and her satellites.

Senator Styles Bridges, Republican, of New Hampshire, chairman, commented that "is almost unbelievable," and Senator Leverett Saltonstall, Republican, of Massachusetts, asked how Congress could stop it.

Mr. Royall said if the dismantling were stopped, Western European nations would regard the action as breaching American agreements on reparations payments. He added: "This is only a curbstone opinion, but if we are obligated by treaty to furnish these reparations, that could not be changed by Congressional action in violation of the treaty."

Mr. Royall and aids were before the committee for a discussion of funds needed for occupation costs.

Senator Bridges wanted to know why the United States has hurried its dismantling program despite "all of Russia's performance in the past year."

Lawrence Wilkinson, economic adviser to General Lucius Clay, the American commander in Germany, replied that it was the desire to demilitarize Germany as rapidly as possible.

Senator Bridges agreed that it was desirable to demilitarize Germany, but he added: "I'd blow 'em up rather than send them to Russia."

[William Draper, Under Secretary of the Army, told the committee he believes all shipments of German reparations to Russia should be stopped if the Soviets fail to agree on Germany's economic unity at the London Conference of Foreign Ministers, The United Press reported. Senator William F. Knowland, Republican, of California, demanded that United States occupation authorities slap an embargo on such shipments until Russia lives up to the Potsdam agreement, insisting that Russia had breached the agreement by failing to treat Germany as an economic unit and that the United States should not ship "so much as a single machine tool" to Russia and its satellites.]

A government-industry fact-finding mission will be named in a few days to go to Germany to survey iron and steel scrap supplies under United States Army control that may be useful in the United States. John R. Steelman, assistant to President Truman, announced today that Secretary of Commerce W. Averell Harriman has invited representatives of steel, foundry and scrap iron industries to serve on the mission.

DEC 1947

9 HOLLYWOOD MEN ARRAIGNED

Post Bail On Charge Of Contempt Of Congress

Los Angeles, Dec. 10 (AP)—Nine of the ten Hollywood men charged with contempt of Congress were finger printed, booked and arraigned today after they surrendered at United States Marshal Robert E. Clark's office.

United States District Judge J. F. T. O'Connor set bond at $1,000 each, which they posted. The court directed the defendants to return tomorrow for arguments by their counsel opposing their removal to the District of Columbia, where they were indicted.

Removal Hearing Speed Asked

Later opposing counsel stipulated their actual appearance during the arguments would be waived.

United States Attorney James M. Carter asked the court to expedite the removal hearing.

Defense Attorney Robert W. Kenny told the court he questioned the constitutional right of the House Committee on Un-American Activities to ask the defendants, "Are you, or have you ever been, a member of the Communist party?" He indicated his arguments might require two days.

It was the refusal by the defendants to answer this question that led to their citation and subsequent indictment for contempt.

Trumbo To Appear Today

Those who surrendered were Albert Maltz, Samuel Ornitz, John Howard Lawson, Ring Lardner, Jr., Lester Cole and Alvah Bessie, writers; Herbert Biberman and Edward Dmytryka, directors, and Adrian Scott, producer.

The tenth defendant, Dalton Trumbo, writer, is at his ranch, which has no telephone, but Kenny said Trumbo will be in court tomorrow. Trumbo, Cole, Lardner, Scott and Dmytryk have been dismissed by their studios. The other five are free-lance men without studio contracts.

DEC 1947

U. S. JURY HEARS SURPRISE WITNESS IN MEYERS' PROBE

WASHINGTON, Dec. 10—(AP)—The Federal grand jury investigating Maj. Gen. Bennett E. Meyers heard from a surprise witness today, one of Meyers' former business associates.

Today's single witness was Robert L. Pine, Dayton, O., real estate dealer, and one of the original incorporators of the Aviation Electric company of Dayton. A Senate committee has heard that Meyers profited more than $150,000 from this firm.

Attorney General Tom Clark has announced that the Justice department is investigating possible perjury, income tax and war fraud charges against the 52-year old Meyers as a result of the Senate War Investigating committee's disclosures.

Pine told newsmen he and Meyers started the Aviation Electric company to market engineering "ideas" in 1938.

Meyers told the Senate committee that he established the firm as a favor to Lamarre Bleriot of Dayton, who headed it, because he was friendly with Lamarre's wife. Both the Lamarres denied this.

The Grand Jury is scheduled to hear only one more witness, a member of the Senate committee's staff, before completing the initial phase of its deliberations either Friday or next Monday.

Admiral McMorris To Head Navy Board

Washington, Dec. 10 (AP)—Vice Admiral Charles H. McMorris, of Wetumpka, Ala., has been appointed chairman of the General Board of the Navy, succeeding Admiral days ago, it was announced today.

Admiral McMorris, 57, has served on the general board, a group of naval officer advisers to the Secretary of the Navy, since September, 1946.

He was chief of staff to Fleet Admiral Chester W. Nimitz.

All 'Bad Risks' Face Firing

State Department Retains Right to Act Even if Review Board Clears Suspect.

Washington, Dec. 10 (A. P.).—The State Department said today that it is retaining the right to fire or transfer an employee as a "bad security risk" even though he has been cleared of any disloyalty by President Truman's review board.

Employees accused of disloyalty, nevertheless, will be informed of the nature of the charges and given the right to be represented by counsel. They also will be granted opportunity to establish affirmatively their loyalty to the United States, the department said.

Hamilton Robertson, director of the Office of Controls, outlined the policy in response to a reporter's questions and said his statements were authorized by Acting Secretary Lovett.

Robertson said that all cases in which an officer or employee is charged with disloyalty will be referred to the Loyalty Review Board for an advisory recommendation provided the board will accept jurisdiction.

"The State Department will accept the recommendation of the Loyalty Review Board in so far as the employe's loyalty is concerned but reserves the right to determine for itself whether or not, for security reasons, the employee is to continue in his old job," Robertson added.

Mr. Truman, in setting up the loyalty review system, provided for the appeals to the review board. However, Congress has granted the State Department, the Atomic Energy Commission and the armed forces special powers to dismiss employees regarded as risks to national security.

Ten State Department employees recently were fired on those grounds. After a controversy developed, they were permitted to resign without prejudice.

DEC 1947

SETTLEMENT SEEN IN LABOR DISPUTE AT ATOMIC PLANT

OAK RIDGE, Tenn., Dec. 10—(AP) A terse statement from a company official hinted today of a possible early settlement of a labor dispute which had caused a C.I.O. union to threaten a strike at one of the government's huge atomic energy plants here.

Clark Center, general manager of Carbide and Carbon Chemicals Corp., said in a written statement:

"As I see it there are no factors present in this situation that the parties should not be capable of settling through the usual practices of collective bargaining."

Center issued his statement in mid-afternoon as he and officials of local 288 of the CIO Gas, Coke and Chemical Workers union resumed contract negotiations. A meeting begun yesterday morning did not break up until 2:45 a.m., EST, today.

The union, which has demanded a 25-cents an hour blanket wage increase and other concessions for 3,000 workers in the Carbide plant, had threatened to call out its members on strike last midnight unless an agreement was reached by that time.

However, in response to an urgent government request, the union postponed its strike threat indefinitely Monday afternoon.

Carbide operates the plant which produces uranium-235 for the government.

NATIONAL GUARD BARES NEW PLAN ON PROMOTIONS

WASHINGTON, Dec. 10—(AP)—A new promotion policy for National Guard officers up to and including the rank of lieutenant colonel was announced today by Maj. Gen. Kenneth F. Cramer, chief of the National Guard bureau.

Under the new plan a minimum service in grade in the postwar guard, plus a rating of "excellent" will make officers eligible for promotion. Service in a similar rank during the war also may be counted toward the minimum requirement.

The service requirements are: second lieutenant, two years; first lieutenant, three; captain, five; major, three; lieutenant colonel, four.

Under the former policy vacancies in those grades (with the exception of second lieutenant), were filled only by men who held similar position in grades or responsibility during federal wartime service.

Cramer said the new policy would "prevent loss of valuable officer material" in the National Guard.

STASSEN PUTS PRICE BLAME ON DEMOCRATS

Profiteering And Food Hoarding Charged To 'Insiders'

Doylestown, Pa., Dec. 10 (AP)—Harold Stassen, presidential aspirant, tonight accused President Truman and Democratic "insiders" of bringing about spiralling prices through food profiteering and hoarding.

The former Minnesota Governor disclosed he has written Representative Charles Halleck (R., Ind.), House majority leader, urging "a major public investigation" of the Administration "in the price situation."

In an address to the organization of Pennsylvania Republican Women, Stassen said "I have become disgusted with the petty political tactics of the Administration in trying to shift the blame to the Republican party."

Six Direct Accusations

The GOP leader made six direct accusations of the President and "insiders:" He said:

1. "I charge that the national Administration has failed to use its power of export controls to safeguard American prices and permitted needless extreme competition for scarce American food."
2. "I charge that insiders in the national Administration have engaged in profiteering in food which has raised the price of food to the American people."
3. "I charge that the departments of Government have been guilty of hoarding scarce commodities in a manner that has increased prices."

Blamed Purchasing Program

4. "I charge that the Administration has carried on its own purchasing program under a method which has placed extra pressure on prices."
5. "I charge that the President, by his veto of the first OPA extension law, ended controls too quickly and too suddenly."
6. "I charge that the President misled American labor in his postwar addresses, claiming that wages could be raised without higher prices and, thereby, set off a heavy round of strikes, with vital loss of production and increased inflation."

DEC 1947

Wallace Set for Third Party

Declares It Will Enter 1948 Race Unless Truman Drops 'War' Policy.

Ithaca, Dec. 10 (A. P.).—Henry A. Wallace said today that unless there is a change in America's foreign policy, there will be a third party in the presidential race next year.

Asked at a news conference whether he would head a third party, the former Democratic Vice-President and dismissed Secretary of Commerce said: "I will do what I can to help."

Wallace began here an upstate speaking tour, the object of which, he said, was to confirm a theory that the people north of the Bronx "are open-minded to the fact the world changes."

Retorts to Brewster.

Reminded that Senator Brewster (R.-Me.) said in Washington on Monday that he had heard Wallace planned to bolt the Democratic party and announce his candidacy for the presidency on a new ticket, the former Cabinet member declared: "I haven't employed Senator Brewster as my public relations man. I am not aware of he fact that he was engaged by the FBI."

"Is the FBI keeping an eye on you?" a reporter asked.

"Not that I know of," Wallace laughed.

He expressed wonder as to where Brewster got his information.

"Was it right?" Wallace was asked.

"My attitude today," he said, "is just exactly the same as it has been right along. If it is apparent that the Democratic party is a war party, I will do all I can to see that there is a third party."

Would Like Assurance.

Wallace added that in his opinion the Democratic national administration is a war party, but he hoped a change in attitude would occur.

"Frankly, I'd like to see just exactly what President Truman is going to say when he submits his message to Congress," Wallace said in developing the theme that he hoped to alter the Truman foreign policy course, which he described as a "get tough with Russia" policy.

Wallace said he would like to receive some assurance from Senator Howard McGrath, chairman of the Democratic National Committee, that the Democratic party is not a war party. He said he had not been invited to talk with the Democratic leaders and that any move "should come from them rather than from me."

Wallace said that Senator Robert A. Taft of Ohio, a candidate for the Republican presidential nomination, would be most likely among the Republican 1948 hopefuls to change "the-get-tough-with-Russia policy."

He said he believed Gen. Dwight D. Eisenhower would work toward peaceful United States-Soviet relations.

Asked if he opposed Fascism or Communism, Wallace said: "I'm for bringing old-fashioned Americanism back to the United States. I'm for democracy and essence of Judo-Christianity," which he described as the brotherhood of man.

Addresses Cornell Students.

Addressing Cornell University students, Wallace decried what he called the "current witch hunt" in the United States.

"Our country is in danger today," he said, "because most of the basic American liberties are being trampled under foot. Scores of Americans who have refused to be intimidated by the Un-American (Activities) Committee are facing prison for their courage. Other Americans, because of their beliefs, are being tried and convicted on technicalities.

"Writers are being gagged, censorship is threatened, and two and a half million American Government employees are being deprived by decree of their inalienable rights as citizens. Minority opinions are being treated as treason. This assault on American freedom comes not from any foreign foe, but from Americans."

DEC 1947

U. S. TIGHTENS EXPORT CURBS

Will Decide What Nations May Get Certain Items.

Washington, Dec. 10 (A. P.).—The Commerce Department announced today a change in export licensing requirements that will give it control over what countries get building materials, brass, bronze, copper and cinz materials.

Beginning January 1, it said, a special license will have to be obtained for each shipment of these materials. Applicants for licenses must name the country of destination and the consignee and tell what use will be made of the materials.

The change was in line with Secretary Harriman's declaration that greater use will be made of export control powers to direct short supply goods to the sixteen western European countries which have joined in the economic rehabilitation proposed by Secretary of State Marshall.

The Practice Heretofore.

Hitherto, for most goods, exporters have been allowed to get licenses for shipment of a specific amount of goods without naming the receiving country and the consignee, or specify his use intentions. Several shipments to various places could be made under a single license of t his kind.

For further shipments of goods under the "consolidated type" of license the department also tightened up on excess weight allowed as "tolerance." Formerly the exporter was permitted a weight tolerance of 10 per cent of the total shipment. Now, where shipments are made in installments, the tolerance will be restricted to 10 per cent of the weight of the final shipment.

Steadily Tightening Controls.

The department said that applications to ship building materials, brass, bronze, copper and zinc materials against quotas for the first quarter of 1948 must be filed with the Office of International Trade by January 20. Those already holding "consolidated" licenses may continue to ship against licenses until the full amount allowed them has been exported or until the time limit on the license has expired, whichever is sooner.

The department has steadily been tightening export control restrictions while asking Congress for greater control powers.

Oil and most steel products now are under export quotas and countries getting quota shares must give full information on their stocks of oil and steel products, their output and other resources and the uses they will make of what they get from the United States. Russia did not apply for a share of the newest quota of oil or steel exports after the full information requirement wsa laid down.

DEC 1947

Scientists 'Cool' To War Work

Cambridge, Mass., Dec. 10 (AP)—Dr. Theodor Rosebury, one of the nation's leading authorities on bacterial warfare, says "many American scientists are refusing to work on military developments."

The Columbia University professor told a Harvard University audience last night that he had returned to peacetime work of his own.

Asked if he would return to warfare research if called upon by the Government, he replied:

"I don't think you have a right to ask me that question."

Scientists are "poorly organized" and will not "strike," he added.

Personnel Hard To Obtain

Dr. Rosebury, who is president of the New York branch of the American Association of Scientific Workers, said all branches of the United States Government were experiencing difficulty in staffing installations for weapons of war.

The real interest of these scientists, he said, is in fundamental research, and he cited the case of some nuclear physicists who do not believe working on an atomic bomb project will advance their knowledge in basic research.

Warning any future war could result in devastation of the world, Dr. Rosebury expressed regret at the failure of the United States and Russia to reach a political accord.

Raps Baruch Plan

Their failure to agree on control of atomic energy, he said, is not entirely the fault of the Russians. The Baruch plan, offered by this country, he said, is too simple an answer for a complex problem.

"As the richest and most powerful nation on earth, the first move toward peace is ours," he said. "I don't think we have done all in our power to forestall war."

He expressed belief a "new administration" and a "complete reversal of foreign policy" would help in getting along with Russia

ASSERTS RISE IN REDISCOUNT RATES IS NEAR

Eccles Tells Congressional Group He Fears Defeat of Bank Reserve Plan.

Washington, Dec. 10 (A. P.).—Marriner S. Eccles, chairman of the Federal Reserve Board, said today that the Federal Reserve rediscount rates of 1 per cent would be raised soon, probably to 1¼ per cent.

Eccles told the Senate-House Economic Committee about the impending increase as he frankly said he did not expect Congress to approve his proposal for requiring all banks to set aside a special additional reserve to hold down credits.

The rediscount rate is that charged by the Federal Reserve when banks sell notes to the system. Its rate may be fixed by the Reserve Board of Governors.

Eccles noted that interest rates on Treasury certificates have gone up from ⅞ of 1 per cent to 1⅛ per cent and that this would call for a rediscount rate of 1¼ per cent.

Cites Precedent.

The reserve chairman recalled that when Treasury certificates and other short-term securities carried seven-eighths of 1 per cent interest that the rediscount rate had been fixed "slightly higher at 1 per cent."

Eccles commented that he does not expect Congress to grant him requested powers to halt expanding credit. He said such powers usually are granted at a time when they are not needed.

After the 1929 stock market collapsed, Eccles said, Congress gave the Reserve Board power to limit loans for dealing in securities when there was no such dealing, because of the crash and resultant depression. Now that restrictions are needed on bank credits, Eccles said, he does not expect them to be authorized.

"You are not very optimistic," observed Senator Watkins (R.-Utah).

"I've been around Washington too long to expect too much," Eccles replied.

No Action Before Christmas.

Chairman Taft (R.-Ohio), who also heads the Senate Republican policy committee, told Eccles that the proposals for tightening up bank credits "are so complicated I don't want to get anything started before Christmas."

"Is that reasonable?" Taft asked.

"I think it's reasonable," Eccles replied, adding that the proposals for additional reserves are "complex" and subject to "violent opposition."

As Eccles concluded his testimony he said the Federal Reserve is not proposing any drastic measures because the "personnel of the Federal Reserve system could not survive the breaking of a boom."

"What about the administration?" Taft asked with a broad grin as other Senators laughed.

Eccles smiled and asked Taft if he meant the Democratic administration in Government agencies or the "administration in Congress (Republicans)."

Eccles added that he has "no political" implications in his proposals.

Refers to Snyder Talk.

Earlier Eccles said that he and Secretary of the Treasury Snyder were in agreement on a number of monetary measures intended to supplement President Truman's anti-inflation program. When Eccles suggested the special additional reserve requirement on all banks, Snyder questioned the proposal.

Eccles said he had talked with Snyder since. "The fact is," he said, "that the area of agreement between us is much more complete than has been represented. Such difference as exists is in evaluating the degree of restraint on inflationary expansion of bank credit that would be exerted by the special reserve requirement."

Lists Five Points.

Eccles said points on which he and Snyder are in full agreement include:

1. The most effective anti-inflationary measure is a vigorous fiscal program to insure the largest possible budgetary surplus.
2. An intensified savings bond campaign should be coupled with such a fiscal program, thus getting the public to invest spendable funds in bonds with fiscal budgetary surpluses used to pay off bank-held debt.
3. If it appears further restrictive steps are necessary on banks, increased reserve requirements or possibly some stronger measure may be necessary.
4. It is essential to maintain the established 2½ per cent rate on long-term marketable Government securities.
5. Restraints should be reinstated on installment credit.

DEC 1947 30.24-14143

FBI Chief Made Honorary Knight

Washington, Dec. 10 (AP)—The British Embassy announced today that King George VI has appointed J. Edgar Hoover, director of the Federal Bureau of Investigation, as an honorary knight commander of the civil division of the Most Excellent Order of the British Empire.

The award recognized Hoover's "outstanding contribution to the Allied victory in the field of intelligence and security."

VOLUNTARY DRIVE PLANNED TO CUT OIL CONSUMPTION

WASHINGTON, Dec. 10 — (AP) A voluntary conservation program designed to cut the consumption of short petroleum and petroleum products by 10 per cent will be sponsored by the oil industry, it was reported tonight.

C. Girard Davidson, assistant secretary of the Department of Interior, told a Senate Judiciary subcommittee of the program. At the same time he said that if the administration is granted power to allocate and control inventories of materials in critical supply—as requested by the President—gasoline rationing is not contemplated immediately.

"The industry has a voluntary program which we hope will work," he told Chairman Cooper (R.-Ky.) The sub-committee is considering the administration's bill for control powers.

Davidson said that representatives of the petroleum, coal and oil industries held a meeting last night with Department of Interior officials to discuss the fuel situation and conservation measures.

Robert Friedman of the Department of the Interior, who attended the meeting, said the campaign would include extensive use of newspapers and the radio to ask the people to conserve gasoline and fuel oil consumption. Both are reported in short supply in some areas of the country.

Friedman told reporters that the coal industry expected to be able to get through the Winter without any conservation measures, but pointed out that some householders might not be able to get the kinds of coal they were accustomed to using.

The gas industry expects trouble only on "peak days," Friedman said.

Davidson summed up:

"Localized petroleum shortages are expected to occur in the United States during the coming year or more. This year, the shortages will occur East of the Rockies. Next year, the shortages may be more widespread. These shortages will exist principally because of the inability of the petroleum industry to obtain materials, especially steel, at a sufficiently rapid rate to enable it to expand its basic plant so as to keep pace with demand."

DEC 1947

Bridges Wants Red Visas Cut

Washington, Dec. 10 (AP)—Senator Bridges (R., N.H.) proposed today that the United States limit visits by Russians to the number of Americans the Soviets are willing to receive.

Introducing legislation to that end, Bridges said this country should give Russian citizens "the same treatment . . . as Soviet Russia permits us behind the iron curtain."

In a statement, Bridges added "the gross inequality" of access to information and freedom of travel between the two countries was "forcibly brought to my attention" when Moscow declined to issue visas last summer for a Senate committee to visit Russia.

Visas Are Refused

The Appropriations Committee, which Bridges heads, sought permission to inspect the United States Embassy at Moscow. However, the Soviet turned down a request for travel visas.

"I believe it is time we became realistic in our diplomatic exchanges, particularly in our relations with the Union of Soviet Socialist Republics," Bridges said.

"In these days when the unspeakable horrors of atomic and bacterialogical capsule warfare have become a scientific actuality, we cannot afford, in the exercise of wishful thinking, to become what many people in this country describe for lack of a more appropriately descriptive word as 'an easy touch.'

"This is vital when the matter seriously affects our national security."

Believes It Sound Policy

The New Hampshire Senator said he believes it is sound policy, and the wish of the majority of Americans, that this country permit the entry of only the same number of Russians, including newspapermen, as Russia permits us.

His resolution would require action by the Secretary of State within 30 days after its approval by both houses of Congress, to cancel visas now outstanding to the extent that they exceed the number issued to Americans by Moscow.

It would extend the same treatment to any other country which the President determined is controled or dominated by Russia.

Bases At Frisco 'Vulnerable'

Washington, Dec. 10 (AP) — A House Armed Services subcommittee said today that one or two atom bombs dropped in the San Francisco Bay area probably would be enough to "cripple, perhaps fatally, all American activities in the Pacific."

It referred to the location "virtually side by side" of the army and navy supply bases in Oakland, the Marine Corps supply depot in San Francisco, the naval shipyard at Hunters Point and the naval air base at Alameda.

"We believe atomic weapons could destroy them all," the group said. "Furthermore, they are so constructed that modern weapons should easily reduce them to rubble."

Relocation Suggested

The subcommittee, which inspected the area last September, said the armed forces should consider relocating the supply centers and eliminating duplicate facilities.

The report said subcommittee members "surmised that considerations of economy now are governing—to perhaps too great an extent—the strategic plans of the Army and Navy."

"In one instance in particular, we were advised flatly that an important installation is located in this area for economy reasons only, although the location acknowledgedly is strategically poor," the statement declared.

The report said, however, that Congress should provide constant "prodding and inquiry" to spur consolidation of separate facilities maintained unnecessarily by different arms of the service.

Forrestal Urged To Act

It urged Secretary of Defense Forrestal to "initiate extensive studies between the services on the topmost level, at the earliest possible date, to insure that local consolidations are made."

The inspection was made by Representative Jack Z. Anderson (R., Cal.), Rizley (R., Okla), Havenner (D., Cal.) and Holifield (D., Cal.).

The subcommittee asked the Navy to defer permanent acquisition of new property in San Francisco for the Marine Corps supply depot,, pending further Congressional hearings and a review by the Navy itself. The former owners of the property seek its return for industrial purposes.

The committee said the former Air Force in-transit depot in Oakland "is now entirely vacant and fully adequate to perform the Marine supply function in this area."

Nelson Backs Food Process

Fort Worth, Texas, Dec. 10 (AP)—Donald M. Nelson, former chief of the War Production Board, and until yesterday president of the Sovciety of Independent Motion Picture Producers, said here today he would devote his time toward development of an electro-chemical process for preservation of food.

BRITAIN DRAWS ON LOAN

Takes Another $100,000,000 From Balance of U. S. Credit

WASHINGTON, Dec. 10 (AP)—Britain has drawn $100,000,000 more from her newly unfrozen loan from the United States, leaving it only $300,000,000 of the original $3,750,000,000 credit.

A Treasury report disclosed the withdrawal today.

It was the first time that Britain has used any of the money since late August. At that time the remaining balance of $400,000,000 was frozen temporarily because of Britain's inability to meet certain terms of the loan agreement, made in July, 1946.

These terms required the British to pay current trade debts to other countries in dollars instead of pounds when the other countries asked payment in dollars.

The freeze was lifted this week despite Britain's continued inability to meet strictly that condition of the loan.

Britain's Chancellor of the Exchequer, Sir Stafford Cripps, promised that Britain would resume dollar payment of trade debts to other countries as soon as possible.

BUREAU REPORTS 5 PCT. INCREASE IN NATION'S RENTS

WASHINGTON, Dec. 10 — (AP) A five per cent jump in the naton's rent bill in four months was reported today by the Bureau of Labor Statistics.

The bureau said the rise from July through October contrasted with an increase of "only one per cent" during almost five years of wartime rent controls.

The Labor department agency attributed the July-October hike principally to the 15 per cent "voluntary agreement" rent boosts allowed under the 1947 rent control law effective last June 30. But it said that "some over-ceiling charges" also were responsible.

The bureau's regular monthly consumers price index showed meanwhile that living costs, as measured for average city dwellers, leveled off in October but remained at the same record high recorded in September.

Occupants of 1,458,113 family dwelling units, or 9.3 per cent of the 15,700,000 total for the nation being rented, have signed leases agreeing to 15 per cent rent increases under the new law, according to the housing expeditor's office.

The bureau said it based its estimate that rents for the nation as a whole went up 5.2 per cent from June 30 through October on spot checks it made in 29 cities. It said the increases ranged from $4 to $8 a month.

"The rapid change reported in the four months contrasts sharply with the relative stability of rents under the stricter wartime rent controls," the report said.

"In the 32 months between September, 1939 and May, 1942 rents advanced slightly more than five per cent, but with the imposition of rent controls beginning in June, 1942, residential rents were cut back or stabilized and in the five year period from the Summer of 1942 to July, 1947 rose only one per cent."

The bureau said that of the cities surveyed in mid-October, the smallest advances—about one per cent—were shown in New York city, Buffalo, N. Y., Savannah, Ga., and Manchester, N. H. The highest was Indianapolis, with 8.4 per cent.

The mid-October survey disclosed four-month rent increases of around five per cent for Detroit, Pittsburgh and Portland, Oregon; over six per cent for Denver and Richmond, and over seven per cent for Kansas City.

"The rent surveys made thus far show that the majority of rent increases have been made in apartments," the bureau reported. "Landlords of single family houses in many cases appear to be reluctant to tie up their properties for as long as 18 months, with the potential possibilities of favorable sales offers."

U.S. And Panama Sign Pact On Defense Area Leases

Washington, Dec. 10 (AP)—The State Department announced today that the United States and Panama have signed an agreement for leasing an airbase and thirteen defense sites to the United States to be used for defense in the Panama Canal.

The joint announcement with Panama said the agreement calls for five-year leases on thirteen defense sites in Panama and a ten-year lease with an option for ten more on the huge B-29 airbase at Rio Hata, about 70 miles west of Panama City.

The agreement, under negotiation for sixteen months, is subject to approval by Panama's National Assembly, which is scheduled to meet Friday. State Department officials said that whether the agreement requires United States Senate confirmation is yet to be decided.

Alfaro Quits In Protest

Ricardo J. Alfaro, Panama's Foreign Minister, resigned yesterday in protest against terms of the agreement, saying United States requests for Rio Hata, major base for long-range bombers, were "unjustified."

The thirteen sites include fighter plane strips and installations for radar and other navigation aids.

These and the Rio Hata base are in addition to United States Army and other military bases within the 10-mile-wide Panama Canal Zone through which the international waterway is routed.

The agreement was signed today by Brig. Gen. Frank T. Hines, Ambassador to Panama, and by Francisco A. Filos, Panamanian Acting Foreign Minister.

Good Spirit Continues

An official announcement said it "exemplifies and continues the spirit of co-operation evidenced by Panama" in the wartime acord of May 18, 1942. The State Department said it takes into account "current and future security requirements" of the canal.

"It gives recognition to the fact that requirements of modern defense make essential the use of certain areas outside the 10-mile-wide Canal Zone for the protection of the international waterway which is so vital to the interests of the United States and Panama," the State Department added.

1936 Treaty Recalled

In a 1936 treaty, the Republic of Panama agreed to co-operate to insure continuous operation and effective protection of the canal, the department noted.

The new agreement calls for the appointment of representatives by the two Governments to administer it. Under its terms, the United States assumes responsibility for all technical, military and economic matters connected with the defense sites.

BUSINESS LEADERS BACK PLANS FOR U.S. BOND DRIVE

WASHINGTON, Dec. 10—(AP)—A score of prominent business executives promised their aid to Treasury officials today in a nationwide campaign to increase sales of government savings bonds as a means of fighting inflation.

They agreed at a meeting with Secretary Snyder and Undersecretary A. Lee Wiggins to serve on a new industrial advisory committee.

Six were chosen as an executive committee to meet in New York Dec. 19 to draw up working plans for the drive and for business participation in it, largely through payroll savings programs.

The committeemen: Thomas B. McCabe, president of the Scott Paper company, Chester, Pa., chairman; Paul Clark, president, John Hancock, Mutual Life Insurance company, Boston; Martin W. Clement, president, Pennsylvania Railroad, Philadelphia; Clarence Francis, board chairman, General Foods Corporation, New York; Walter D. Fuller, president, Curtis Publishing company, Philadelphia; and P. D. Reed, board chairman, General Electric company, Schenectady, N. Y.

Wiggins told the group a prime way to attack inflation is to reduce the national debt of a budget surplus attained from tax revenues and to soak up buying power by sales of savings bonds to individuals. Receipts of the bond sales can then be used to pay off government debts held by banks, thereby cutting down bank lending ability, he said.

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DEC 1947

VA Insurance Is Defended

Washington, Dec. 10 (AP)—Veterans Administration officials told a House Veterans Affairs Committee today the agency is giving "the best possible service" on veterans' insurance "on the basis of existing conditions."

Acting VA Administrator O. W. Clark and Harold W. Breining, assistant administrator for insurance, testified at a heated session in which Representative Rankin (D., Miss.) repeatedly clashed with Chairman Rogers (R., Mass.) over conduct of the hearing.

The committee is considering a subcommittee's charges that VA insurance service is "most unsatisfactory." In a report last month, the subcommittee recommended Breining's removal.

Mrs. Rogers also said the full committee has asked that he be "promoted or something" so that authority over the insurance division can be transferred.

Rogers-Rankin Clash

The hearings' first flareup came when Mrs. Rogers announced each committee member would be given five minutes, without interruption, to question Clark and Breining. She said additional questions could be asked later after each member had his turn.

"That puts the committee in a straitjacket," Rankin protested. "I don't accept that as a rule."

Mrs. Rogers retorted that the procedure would be followed "whether the gentleman accepts it or not." After several similar lively exchanges, Breining said that in view of conditions confronting VA since the end of the war, "the service we have been giving is remarkable."

He agreed with Representative Kearney (R., N.Y.), however, "there is no excuse at all" for branch offices not acknowledging letters of inquiry from insured veterans.

Dividends Due This Year

Breining challenged a statement by Representative Phillips (R., Tenn.) that "a huge sum of money is floating around" waiting for dividends to be declared on insurance issued during World War II.

"It is not floating around," Breining said. "Every cent of it is accounted for, and dividends will be declared this coming year."

He added that dividends on World War I insurance are declared regularly.

Clark related some of the troubles he said have been encountered. Premium payments often cannot be applied on proper policies, he reported because the veterans sometimes send their cecks to the wrong office, do not sign their checks, send unidentified postal notes, or do not put correct return addresses on their letters.

Both he and Breining emphasized that the VA has had difficulty getting experienced employés, has had to expand rapidly, and has not had enough money to hire as much help as it needs. Decentralization of insurance operations last year to thirteen branch offices also caused a backlog of business to accumulate, they said.

Cates Named Commandant Of Marines

Washington, Dec. 10 (AP)—President Truman today nominated Maj. Gen. Clifton B. Cates to be commandant of the Marine Corps with the rank of general.

The nomination is for a four-year term dating from January 1, 1948.

Other nominations sent to the Senate:

Maj. Gen. Thomas E. Watson, to be lieutenant general while serving as commanding general of the Fleet Marine Force in the Pacific.

Vice Admiral John L. McCrea to hold that rank while serving as deputy commander in chief of the Pacific Fleet.

Rear Admiral Arthur C. Miles to be vice admiral while holding the position of chief of the material division, office of the Under Secretary of the Navy.

Bill Of Rights Day Dec. 15

Washington, Dec. 10 (AP)—President Truman today proclaimed December 15 as Bill of Rights Day in commemoration of the adoption 156 years ago of the first Ten Amendments to the Constitution.

THE ECONOMIC FRONT

By THE ASSOCIATED PRESS

WASHINGTON — Republicans shape four-point anti-inflation program includes: voluntary industry agreements to hold down prices; control over vital transportation; expansian of export controls; boosts in required gold reserves of federal reserve banks.

WASHINGTON — House rejects efforts to slash its $590,000,000 emergency foreign aid bill.

ROME—General strike called to enforce leftists' demands for winter unemployment aid.

LONDON — Secretary Marshall demands Russians halt withdrawal of assets from Eastern Germany by Jan. 1.

WASHINGTON — Commerce department to control export of building materials, brass, bronze, copper and zinc materials starting Jan. 1.

NEW YORK—Associated Press composite of 35 wholesale commodity prices climbs to new record at 206.92 per cent of 1926 level.

IN HIS STATEMENT TODAY BEFORE THE FOREIGN MINISTERS, SECRETARY MARSHALL SAID THAT WHILE THE UNITED STATES AND BRITAIN ARE POURING $700,000,000 (MILLION) ANNUALLY INTO GERMANY "TO KEEP THE GERMAN ALIVE," THE RUSSIANS IN THEIR ZONE WERE STEADILY DRAINING AWAY GERMAN ASSETS.

HE ADDED: LDN-BIG-4-XXX SURRENDER

"ALSO IN THAT AREA GERMAN BUSINESSES, THROUGH ONE DEVICE OR ANOTHER, ARE BEING BROUGHT UNDER SOVIET OWNERSHIP AND PLACED IN A GIGANTIC SOVIET TRUST.

"THUS, IN EFFECT, MUCH OF THE GERMAN ECONOMY OPERATES FOR THE SOVIET ACCOUNT. ALSO MUCH GERMAN MANPOWER IS BEING TAKEN OUT OF PRODUCTIVE EFFORT, EITHER THROUGH FORCIBLE SEIZURE OR UNDER THE COLORS OF CONTRACTS WHICH ARE IMPOSED.

"THIS IS THE SITUATION WHICH NEEDS TO BE CORRECTED AT ONCE. CORRECTION CANNOT BE DELAYED FOR A DECISION AT SOME INDEFINITE FUTURE TIME. BEFORE THEN, GERMAN ECONOMY MOST PROBABLY WOULD BE SO WRECKED THAT IT DEAD WEIGHT WOULD DRAG DOWN AND SUBMERGE THE ECONOMYOF ALL EUROPE."

HE THEN SUBMITTED A REQUEST TO THE COUNCIL TO RULE THAT FROM JAN. 1, 1948, "NOTHING SHALL BE TAKEN OUT OF GERMANY EXCEPT FOR A FAIR ECONOMIC VALUE IN MONEY OR GOODS WHICH CAN BE IMMEDIATELY USED TO SUSTAIN THE GERMAN ECONOMY.

"THIS DECISION SHALL STAND UNTIL FURTHER ACTION BY THE COUNCIL OR PURSUANT TO A PEACE TREATY, BUT SHALL NOT APPLY TO AGREED REPARATIONS DELIVERIES IN CAPITAL GOODS."

CONFERENCE SOURCES SAID SOVIET FOREIGN MINISTER V.M.MOLOTOV SAID HE WOULD ANSWER MARSHALL'S CHARGES WHEN "REPARATIONS" COME UP ON THE AGENDA, POSSIBLY TOMORROW.

THERE WERE STRONG INDICATIONS THE AMERICAN POSITION IS THAT UNLESS THE SOVIET UNION DROPS ITS REPARATIONS CLAIMS FROM CURRENT PRODUCTION AND "FIRM" AGREEMENTS ARE ACHIEVED ON ECONOMIC PRINCIPLES, THERE IS LITTLE USE IN GOING ON WITH THE PRESENT MEETING.

MOLOTOV CONCEDED THAT THE SOVIET VIEW ON REPARATIONS DIFFERED FROM THE WESTERN VIEW AND SAID, ACCORDING TO CONFERENCE SOURCES, "AS FOR THE CONSIDERATIONS JUST STATED BY THE UNITED STATES DELEGATION, THEY ARE UNFOUNDED AND THE SOVIET DELEGATION WILL PROVE THEM UNFOUNDED WHEN THE QUESTION OF REPARATIONS FROM CURRENT PRODUCTION COMES UNDER DISCUSSION."

SOME ADDITIONAL DEVELOPMENTS OF THE SESSION, ACCORDING TO OFFICIAL OBSERVERS:

MARSHALL PROPOSED THAT THE FOUR POWERS INSTITUTE CURRENCY REFORM IN GERMANY BY MARCH, 1948. THE FRENCH AND BRITISH AGREED AND RUSSIA RESERVED ITS POSITION.

MOLOTOV BROUGHT UP THE MATTER THAT THE UNITED STATES HAS PRINTED A NEW CURRENCY FOR POSSIBLE ISSUE IN GERMANY AND SAID "THIS SUGGESTS THE POSSIBILITY FOR UNILATERAL ACTION IN MATTERS OF FINANCIAL REFORM."

MARSHALL REPLIED "THE UNITED STATES GOVERNMENT HAS TAKEN NO DECISION TO BRING IN NEW CURRENCY IN ITS ZONE OR JOINTLY WITH ANY OTHER ZONE."

THE UNITED STATES AGREED TO PUBLIC OWNERSHIP OF CERTAIN INDUSTRIES ON THE CONDITION THAT THE GERMAN PEOPLE AS A WHOLE FIRST VOTE ON SUCH NATIONALIZATION. THIS WAS AGREED TO BY RUSSIA AND BRITAIN. FRANCE RESERVED HER POSITION UNTIL IT IS DECIDED WHAT CONTROLS SHOULD BE

DEC 1947

PLACED ON SOME INDUSTRIES.

APPARENTLY DETERMINED TO PUT MOLOTOV ON THE DEFENSIVE, MARSHALL STARTED OFF THE MEETING WITH A BLUNT DEMAND THAT THE SOVIET UNION PRODUCE FIGURES SHOWING REPARATIONS REMOVALS AND THE ECONOMIC PROGRESS IN THE EASTERN ZONE OF GERMANY, WHICH MOLOTOV HAD REFUSED YESTERDAY.

"IF WE CANNOT TAKE THIS ECONOMIC DECISION WHICH IS OF IMMEDIATE, VITAL SIGNIFICANCE, THEN WE ARE WASTING OUR TIME WHEN THERE IS NO TIME TO WASTE," MARSHALL SAID.

MARSHALL SAID THE WESTERN POWERS HAD MADE ECONOMIC INFORMATION AVAILABLE AND DECLARED "I AM UTTERLY UNABLE TO PERCEIVE JUSTIFICATION OF WITHHOLDING BY THE SOVIET UNION OF INFORMATION WHICH I CONSIDER NECESSARY. SUCH AN ATTITUDE MAKES THE DISCUSSION HERE UNREAL."

MOLOTOV REPLIED THAT THE PROCEDURE FOR THE ALLIED CONTROL COUNCIL IN BERLIN DID NOT PROVIDE FOR MAKING SUCH INFORMATION AVAILABLE, AND WHEN IT DID SO HE WOULD SUPPLY THE INFORMATION.

DEC 1947

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EDITORS:

LONDON, INSERT THIRD LEAD FOREIGN MINISTERS AFTER EIGHTH GRAPH (INSERTED, A208) XXX PROBABLY TOMORROW.

BRITISH INFORMANTS SAID THAT AFTER MARSHALL FINISHED HIS STATEMENT, MOLOTOV COMMENTED:

"SOME DELEGATIONS DO NOT SEEM TO HAVE A CLEAR VIEW OF THE PRECISE MEANING OF THE PAYMENT OF REPARATIONS OUT OF CURRENT PRODUCTION."

TO MARSHALL'S STATEMENT THAT THE BILL FOR REPARATIONS COULD FALL UPON THE UNITED STATES, MOLOTOV WAS QUOTED AS SAYING SUCH CONSIDERATIONS "ARE UNFOUNDED, AND I AM PREPARED TO PROVE THIS WHEN THE BROAD QUESTION OF REPARATIONS IS DISCUSSED."

MARSHALL WAS XXX ETC NINTH GRAPH (A194)

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AMERICAN OFFICIALS ARE PRIVATELY CONVINCED THAT MOLOTOV IS NOT PREPARED TO AGREE TO ECONOMIC UNIFICATION OF GERMANY WITHOUT ASSURANCE THAT ALL--OR AT LEAST A SUBSTANTIAL PART--OF HIS REPARATIONS DEMANDS WILL BE MET. LDN - BIG-4-XXX PROBLEMS

THE OPPOSITION OF THE UNITED STATES AND BRITAIN TO THESE DEMANDS SO FAR IS ABSOLUTE, AND UNDER THE CIRCUMSTANCES RESPONSIBLE WESTERN SOURCES SAY THEY DO NOT SEE HOW ANY IMPORTANT BIG FOUR AGREEMENTS CAN BE MADE ON GERMANY.

DEC 1947

U.S.SECRETARY OF STATE GEORGE C.MARSHALL IS KNOWN TO FEEL THAT A SOLUTION OF GERMAN ECONOMIC PROBLEMS PROVIDING FOR THE REMOVAL OF ZONAL BARRIERS TO TRADE IS A PREREQUISITE TO ANY OTHER AGREEMENTS ON GERMANY.

ONE PHASE OF THE REPARATIONS QUESTION WAS SCHEDULED TO COME BEFORE THE FOREIGN MINISTERS AT THIS AFTERNOON'S SESSION (10:30 A.M.,EST). ON THE AGENDA FOR DISCUSSION IS A BRITISH PROPOSAL WHICH WOULD PROVIDE THAT GERMANY "SHALL NOT BE CALLED UPON TO MAKE ANY REPARATIONS DELIVERIES FROM CURRENT PRODUCTIONS OR STOCKS" UNTIL AFTER GERMAN IMPORT OBLIGATIONS HAVE BEEN MET, OCCUPATION COSTS PAID AND A BALANCED ECONOMY OBTAINED.

BOTH MARSHALL AND BRITISH FOREIGN SECRETARY ERNEST BEVIN FOUGHT HARD FOR THIS PROPOSITION AT THE MOSCOW CONFERENCE LAST SPRING. RUSSIA HAS FIRMLY OPPOSED IT. INVOLVED IS A CLEAR CONFLICT OF NATIONAL ISSUES.

THE UNITED STATES AND BRITAIN, WHICH ARE SPENDING ALMOST $800,000,000 (MILLION) DOLLARS A YEAR FOR GERMAN SUBSISTENCE IN THEIR OCCUPATION ZONES, NATURALLY WOULD COLLECT ON GERMAN IMPORT OBLIGATIONS AND WOULD BENEFIT BY HAVING A BALANCED ECONOMY CREATED. RUSSIA, ON THE OTHER HAND, WOULD BENEFIT MOST FROM A SYSTEM GIVING PRIORITY TO REPARATIONS DELIVERIES.

BOTH MARSHALL AND BEVIN HAVE TAKEN THE POSITION THAT ANY ARRANGEMENT WHICH WOULD GIVE PRIORITY TO REPARATIONS WOULD MEAN THAT AMERICAN AND BRITAIN WERE SUBSIDIZING GERMAN DELIVERIES TO RUSSIA.

YESTERDAY'S MEETING ACCOMPLISHED LITTLE EXCEPT TO ADVANCE THE DISCUSSION OF SECONDARY PROBLEMS INVOLVED IN UNIFYING GERMANY AND TO CONFRONT THE COUNCIL WITH THE RENEWAL OF AN OLD DEADLOCK.

THIS CAME ABOUT WHEN FRENCH FOREIGN MINISTER GEORGES BIDAULT PRESSED MOLOTOV FOR AN ANSWER ON ECONOMIC INTEGRATION OF THE SAAR WITH FRANCE. BOTH MARSHALL AND BEVIN PREVIOUSLY HAD AGREED TO THIS. MOLOTOV TOLD BIDAULT IT COULD BE DISCUSSED LATER.

BIDAULT REPLIED THAT THE MATTER HAD BEEN BROUGHT UP IN THE FOREIGN MINISTERS CONFERENCE 12 TIMES ALREADY AND THAT HE CONSIDERED IT USELESS TO CONTINUE THE DISCUSSION OF OTHER ISSUES UNTIL FRANCE HAD HER ANSWER.

WHILE THE DEBATE DID IN FACT CONTINUE, BIDAULT MADE IT CLEAR THAT FRANCE WOULD NOT AGREE ON ECONOMIC UNITY MEASURES FOR GERMANY UNTIL SOME DECISION WAS REACHED ON THE SAAR.

JP223AES DEC 1947

THE SPOKESMAN SAID AGREEMENT HAD BEEN REACHED "OVER A WIDE FIELD" IN AMERICAN-BRITISH TALKS IN WASHINGTON OVER A REVISED BI-ZONAL AGREEMENT. LDN- ROYALL-XXX FULL SHARE

ANOTHER WHITEHALL (GOVERNMENT) INFORMANT SAID THE TALKS AT TIMES HAVE BEEN "HEATED" AND THAT THE BRITISH HAVE BEEN "WORRIED" BECAUSE THE NEW ARRANGEMENTS WILL GIVE GEN.LUCIUS D. CLAY, U.S. MILITARY GOVERNOR, A VIRTUAL VETO IN WESTERN GERMANY.

2104PES

LONDON, DEC.10-(AP)-A HIGH GOVERNMENT SOURCE SAID TODAY HE BELIEVED BRITAIN AND RUSSIA HAD REACHED AN AGREEMENT "IN PRINCIPLE" ON A NEW TRADE PACT.

HAROLD WILSON, BRITISH BOARD OF TRADE PRESIDENT, IS RETURNING TODAY FROM MOSCOW WHERE HE HAS BEEN CONDUCTING TRADE NEGOTIATIONS. THE SOURCE SAID HE DID NOT BELIEVE WILSON WOULD RETURN "UNLESS AGREEMENT IN PRINCIPLE HAD BEEN REACHED." NO DETAILS OF THE TALKS WERE DISCLOSED, HOWEVER.

QQ813AES

30.24- 14147

LONDON,DEC.10-(AP)-NIKOLA DOLATOVCHEV, BULGARIAN POLITICAL REPRESENTATIVE TO BRITAIN, SAID TODAY THE BULGARIAN GOVERNMENT HAD RESIGNED AS A FORMALITY REQUIRED BY THE NEW CONSTITUTION BUT WOULD BE RECONSTITUTED IMMEDIATELY, WITH GEORGI DIMITROV CONTINUING AS PREMIER.

IN RESPONSE TO A QUERY, HE EXPRESSED CONVICTION THAT THE COMPLEXION OF THE GOVERNMENT WOULD REMAIN ABOUT THE SAME, WITH MOST OF THE FORMER MINISTERS RETURNING TO THEIR POSTS.

DEC 1947

HE SAID THE NEW CONSTITUTION REQUIRED THE FORMATION OF A PRESIDIUM, WHICH WAS ELECTED YESTERDAY BY THE GENERAL ASSEMBLY, AND THAT RESIGNATION OF THE PROVISIONAL GOVERNMENT FOLLOWED AUTOMATICALLY.

MJ1216PES

LONDON, DEC 10-(AP) U.S. SECRETARY OF STATE GEORGE C.MARSHALL ARRANGED TO ENTERTAIN PRIME MINISTER ATTLEE AND DEPUTY PRIME MINISTER HERBERT MORRISON AT LUNCH TODAY AT THE AMERICAN EMBASSY.

ALSO INVITED TO THE LUNCHEON WERE JOHN FOSTER DULLES, MARSHALL'S REPUBLICAN ADVISER, AND WALTER BEDELL SMITH, U.S. AMBASSADOR TO MOSCOW. AMBASSADOR LEWIS DOUGLAS WAS TO BE CO-HOST WITH MARSHALL.

(EDS: MAY BE INCLUDED IN BIG FOUR BUDGET IF DESIRED.)

DN714AES

ADDRESS.

PARIS--INSERT FRENCH BUDGET (A34) AFTER THIRD GRAF X X X AT THE END.

THESE LEADERS SAID ALL 1,500,000 HAD RETURNED OR WERE RETURNING TO WORK TODAY. THERE WERE NO OFFICIAL FIGURES ON THE NUMBER INVOLVED.

NOT EVEN THE ETC., XXX 4TH GRAF.

QQ919AES DEC 1947

PARIS, DEC 10-(AP)-THE FRENCH GOVERNMENT DECIDED TODAY THAT RUSSIAN NOTES PROTESTING THE TREATMENT OF SOVIET CITIZENS IN FRANCE ARE "UNRECEIVABLE" AND WILL BE SENT BACK TO MOSCOW.

THE DECISION, REACHED AT A CABINET MEETING AT WHICH PRESIDENT VINCENT AURIOL PRESIDAD, WILL BE EXPLAINED TONIGHT IN A RADIO ADDRESS BY FRANCOIS MITTERAND, MINISTER FOR VETERANS AFFAIRS.

THE ACTION DOES NOT CONSTITUTE A "REJECTION" OF THE PROTESTS IN THE USUAL DIPLOMATIC SENSE OF THAT WORD. A "REJECTION" MEANS THAT THE GOVERNMENT TO WHICH THE PROTEST IS DIRECTED DOES NOT AGREE WITH IT, AND THE REASONS FOR THE DISAGREEMENT CUSTOMARILY ARE STATED.

IN THIS CASE, THE FRENCH GOVERNMENT SAID THE LANGUAGE CONTAINED IN THE TWO NOTES WAS "UNACCEPTABLE."

DN749AES

THE PASTOR SAID DISCRIMINATION AGAINST THE PENTECOSTAL (CQ) CHURCHES IN ITALY FIRST WAS PUBLICIZED LAST APRIL WHEN DR.CHARLES FAMA OF NEW YORK AND DR. FRANK B. GIGLIOTTI OF LA MESA, CALIF., WHO CAME HERE IN CONNECTION WITH RELIEF ACTIVITIES IN ITALY, PROTESTED TO DE GASPERI AND FOREIGN MINISTER CARLO SFORZA.

AFTER THE INTERVIEW WITH DE GASPERI, THE AMERICANS SAID HE PROMISED THEM "FORCEFULLY" THAT ALL FAITHS WOULD HAVE FREEDOM OF WORSHIP.

HJ852PES ROME- PROTESTANTS- XXX ROME

ATHENS, FIRST ADD MISSING PLANE (A49) X X X VISIBILITY.

W.A.BURNSIDES, IN CHARGES OF RADIO COMMUNICATIONS AT HASSANI AIRPORT, SAID 12 PLANES WERE TAKING PART IN THE SEARCH -- INCLUDING FIVE AMERICAN MILITARY PLANES. THE OTHERS INCLUDED THREE FROM THE GREEK AIR FORCE, THREE FROM THE BRITISH ROYAL AIR FORCE AND ONE GREEK COMMERCIAL AIRLINES PLANE.

(A ROME DISPATCH SAID ANOTHER AMERICAN C-47 WAS WAITING THERE FOR CLEARING WEATHER TO JOIN THE SEARCH.)

THE AREA OF SEARCH INCLUDED THE TURKISH COAST AND THE IONIAN SEA.

DEC 1947

MAJ.ARTHUR LEFEVRE, OF THE AIR TRANSPORT COMMAND, WAS SUPERVISING AMERICAN PARTICIPATION IN THE SEARCH. HE SAID THERE WAS NO CERTAINTY WHERE THE MISSING PLANE MIGHT HAVE COME DOWN.

LEFEVER DISCLOSED THAT ANOTHER AMERICAN PLANE OVER GERMANY HAD REPORTED INTERCEPTING A RADIO MESSAGE APPARENTLY EMANATING FROM THE MISSING CRAFT ABOUT MIDNIGHT SAYING IT BELIEVED IT WAS OVER WESTERN TURKEY.

(UNOFFICIAL SOURCES IN ROME SAID THE PLANE'S PILOT WAS A LT.COL. COWERD. IN WASHINGTON, THE ARMY SAID LT.COL.JAMES F.COWERD IS THE MILITARY ATTACHE AT BAGHDAD, BUT ADDED IT HAD NO INFORMATION BEYOND NEWS DISPATCHES.)

FOUR OF THE SEARCH PLANES RETURNED IN MID-AFTERNOON AND REPORTED NO TRACE OF THE MISSING CRAFT IN THE AREAS THEY COVERED -- PATRAS, CORINTH AND KALAMATA IN THE PELOPONNESUS AND THE CENTRAL AEGEAN SEA. THE PLANES ENCOUNTERED HEAVY RAINS OVER THE ISLANDS OF CHIOS AND MYTILENE, MAKING ACCURATE OBSERVATIONS IMPOSSIBLE.

WD1043AES

ATHENS--INSERT MISSING PLANE (A49) AFTER FIRST GRAF XXX ABOARD.

(UNOFFICIAL SOURCES IN ROME SAID THE PLANE WAS PILOTED BY A LT. COL.COWERD (SIC) AND THAT OTHER CREWMEN WERE A CAPT.MCMURRAY, SGT. WILLIS AND SGT.BARNES. THE AIR FORCE IN WASHINGTON SAID IT HAD NO OFFICIAL REPORTS ON THE PLANE OR ITS CREW, BUT THAT THREE MEN WERE ASSIGNED TO THE AIR ATTACHE'S OFFICE IN BAGHDAD:

(LT.COL.JAMES F.COWARD (CORRECT), THE AIR ATTACHE, 452 LOVE ST. ERWIN,TENN.; SGT.HUGH F.WILLIS, CREW CHIEF FOR ATTACHE, R.F.D. NO.1, HICKORY, N.C.; AND SGT.PAUL A.BARNES, RADIO MAN, 510 YORK ST., SPRINGFIELD, OHIO. NO INFORMATION WAS AVAILABLE ON CAPT.MCMURRAY. AIR FORCE OFFICERS SPECULATED HE MIGHT BE FROM AN AIR TRANSPORT COMMAND BASE IN THE NEAR EAST.)

HASSANI AIRPORT ETC XXX SECOND GRAF (DELETING BRACKETED 10TH GRAF A131).

MJ1225PES

ATHENS, DEC.10-(AP)-GREEK, BRITISH AND AMERICAN PLANES STARTED A SEARCH AT DAWN TODAY FOR AN AMERICAN C-47 MILITARY TRANSPORT PLANE MISSING SINCE LAST NIGHT WITH FOUR PERSONS ABOARD.

HASSANI AIRPORT OFFICIALS SAID THEY FEARED THE PLANE--ASSIGNED TO THE U.S. MILITARY ATTACHE'S OFFICE IN BAGHDAD--MIGHT HAVE CRASH LANDED IN THE SEA OFF THE ATTICA COAST.

THE LAST RADIO MESSAGE RECEIVED FROM THE CREW AT ABOUT 1 A.M. (6 P.M., EST TUESDAY) SAID THEY WERE PREPARING TO BAIL OUT SOMEWHERE IN THE ATHENS VICINITY.

THE PLANE WAS EN ROUTE FROM ROME TO ATHENS WHEN IT BECAME LOST DUE TO BAD VISIBILITY.

DEC 1947

JP520AES

ROME, DEC.10-(AP)-AN AMERICAN C-47 MILITARY TRANSPORT PLANE

RRIVED HERE FROM PISA TODAY EN ROUTE TO ATHENS TO PARTICIPATE IN THE SEARCH FOR A SISTER SHIP BELIEVED TO HAVE CRASH-LANDED YESTERDAY SOMEWHERE IN ATTICA.

THE SEARCH PLANE WAS EXPECTED TO TAKE OFF AS SOON AS THE WEATHER PERMITTED.

THE MISSING PLANE LEFT ROME FOR ATHENS AT 2:30 P.M. (8:30 A.M.,EST) YESTERDAY AND LAST CONTACTED CIAMPINO AIRPORT HERE AT 10:01 P.M., WHEN IT RADIOED IT HAD BEEN UNABLE TO FIND ATHENS BECAUSE OF POOR VISIBILITY.

OFFICIALS HERE DECLINED TO GIVE ANY INFORMATION ABOUT THOSE ON BOARD, BUT OTHER SOURCES SAID THE MISSING PLANE WAS PILOTED BY A LT.COL.COWERD. OTHER MEMBERS OF THE CREW WERE IDENTIFIED AS A CAPT. MCMURRAY, SGT.WILLIS AND SGT.BARNES. FIRST NAMES AND HOME ADDRESSES OF THE MEN WERE NOT AVAILABLE.

SEARCHERS STILL ARE SEEKING ANOTHER C-47 MILITARY TRANSPORT WHICH DISAPPEARED 12 DAYS AGO ON A FLIGHT FROM PISA TO FRANKFURT. IT IS NOW BELIEVED THAT PLANE MAY HAVE CRASHED IN THE MEDITERRANEAN.

DEC 1947

JP501AES

FRANKFURT, DEC 10-(AP)-AMERICAN AIR FORCE OFFICIALS ANNOUNCED TODAY THAT FOUR PLANES WERE PREPARING TO LEAVE GERMANY TO JOIN IN THE SEARCH FOR A MISSING AMERICAN C-47 TRANSPORT PLANE BELIEVED TO HAVE CRASHED IN GREECE LAST NIGHT.

AIR FORCE HEADQUARTERS IN WIESBADEN SAID TWO RADIO MESSAGES FROM THE PLANE WERE INTERCEPTED LAST NIGHT INDICATING IT WAS RUNNING SHORT OF FUEL AND THAT THE CREW WAS GETTING READY TO BAIL OUT.

THE FIRST MESSAGE, RECEIVED SHORTLY BEFORE MIDNIGHT, SAID:

"POSITION UNKNOWN. BELIEVED BE IN VICINITY OF ATHENS OR WESTERN TURKEY."

THE SECOND SAID:

"HAVE 40 MINUTES FUEL REMAINING. POSITION UNKNOWN. OVER LARGE TOWN. BAILING OUT IN 10 MINUTES."

MEANWHILE AIR FORCE PLANES FAILED TO TURN UP ANY NEW CLUES IN THE 12-DAY OLD SEARCH FOR A C-47 MISSING WITH 20 PERSONS ABOARD ON A FLIGHT FROM PISA, ITALY, TO FRANKFURT.

00837AES

ISTANBULA--FIRST ADD SECOND NIGHT LEAD PLANE (B22) X X X SPRINGFIELD, OHIO.)

EXCEPT FOR MINOR BRUISES NONE WAS INJURED.

THE MEN LANDED FAR APART AND, EXCEPT FOR MCMURRAY, ROAMED WITHOUT DIRECTION UNTIL DAYLIGHT WHEN THEY WERE ESCORTED BY SOLDIERS AND CIVILIANS TO SUSIGIRLIK.

MCMURRAY, REGAINING HIS FEET, NOTICED WHAT APPEARED TO BE A CAMP AND WALKED INTO THE MIDST OF SHEPHERDS WHO HELD HIM VIRTUAL PRISONER FOR HOURS UNTIL HE FINALLY CONVINCED THEM HE WAS AN AMERICAN.

THEREAFTER HE WAS ESCORTED TO A VILLAGE AND LATER TO SUSIGIRLIK. FROM THERE THE FOUR WERE TAKEN TO BALIKESHIR AND PLACED IN A HOSPITAL FOR OBSERVATION.

COWARD SAID THE WEATHER CLOSED IN OVER GREECE AND HE WAS UNABLE TO LOCATE ATHENS WHERE HE HAD PLANNED TO LAND FOR THE NIGHT.

(NO PICKUP)

DEC 1947

HJ929PES

ISTANBUL, TURKEY, DEC. 10-(AP)-FOUR MEMBERS OF THE U.S.MILITARY ATTACHE'S OFFICE AT BAGHDAD, IRAQ, FLYING FROM ROME, BECAME LOST LAST NIGHT OVER WESTERN TURKEY, DITCHED THEIR C-47 MILITARY TRANSPORT PLANE AND PARACHUTED TO SAFETY.

THEIR FUEL SUPPLY WAS ALMOST GONE.

LT.COL. JAMES F.COWARD, OF ERWIN, TENN., AIR ATTACHE AT BAGHDAD, WAS PILOTING THE PLANE. HE SAID TONIGHT THAT HIS RADIO WAS BLACKED OUT BY WEATHER AND, SEEING THE SITUATION WAS GRAVE, ORDERED THE CRAFT DITCHED AFTER SETTING IT ON THE AUTOMATIC PILOT.

THE SHIP FLEW INTO THE HILLY FARM COUNTRY SOUTH OF SUSIGIRLIK IN THE PROVINCE OF BALIKESHIR AND WAS BADLY DAMAGED. TWO COCKER SPANIELS CAME OUT OF THE CRASH UNHURT, COWARD SAID.

BESIDES COWARD OTHERS ABOARD WERE CAPT. A. W. MCMURRAY OF NORTH CAROLINA, SGT. HUGH WILLIS OF HICKORY, N.C., AND STAFF SGT. PAUL A. BARNES. (THE AIR FORCE IN WASHINGTON SAID BARNES' HOME WAS IN SPRINGFIELD, OHIO.)

(NO PICKUP)

HJ635PES

ISTANBUL, TURKEY, DEC. 10-(AP)-MEAGRE REPORTS RECEIVED BY AMERICAN SOURCES SAID TODAY AN AMERICAN C-47 MILITARY TRANSPORT PLANE FLYING FROM ROME TO ATHENS HAD CRASHED IN WESTERN TURKEY AND THE FOUR OCCUPANTS HAD BAILED OUT AND WERE HOSPITALIZED.

THE REPORTS SAID THE PLANE HIT A HILLSIDE NEAR THE VILLAGE OF SUSIGIRLIK IN THE PROVINCE OF BALIKESHIR, 110 MILES EAST OF THE DARDENELLES, WHILE SHORT OF FUEL. THE MEN WERE SAID TO HAVE BEEN TAKEN BY MULE TRANSPORT TO A HOSPITAL.

--DASH--

THE C-47 WAS SAID BY THE UNITED STATES INFORMATION SERVICE IN ATHENS TO BELONG TO THE U.S.MILITARY ATTACHE'S OFFICE IN BAGHDAD, IRAQ, AND TO BE CARRYING LT.COL.COWARD, CAPT.MACMURRAY, M/SGT.WILLIS AND S/SGT BARNES.

THE AIR FORCE IN WASHINGTON SAID LT.COL.JAMES F.COWARD OF ERWIN, TENN., WAS THE AIR ATTACHE IN BAGHDAD AND THAT SGT.HUGH WILLIS

DEC 1947 30.24-14149

OF HICKORY,N.C., AND SGT.PAUL A.BARNES OF SPRINGFIELD, OHIO, WERE ASSIGNED TO COWARD'S OFFICE. THE FIRST NAME AND ADDRESS OF CAPT. MACMURRAY WERE NOT KNOWN.

THE PLANE, MISSING SINCE 8:10 P.M. TUESDAY NIGHT, ATHENS TIME, WAS LAST HEARD FROM IN A MESSAGE INTERCEPTED IN GERMANY WHICH SAID FUEL WAS LOW AND THE PILOT BELIEVED HE WAS SOMEWHERE OVER TURKEY.

ATHENS DISPATCHES SAID 11 BRITISH AND AMERICAN SEARCH PLANES OPERATING FROM HASSANI AIRFIELD THERE COVERED A LARGE PORTION OF THE MEDITERRANEAN, THE TURKISH COAST AREA AND PART OF GREECE WEDNESDAY WITHOUT FINDING A TRACE OF THEPLANE. OBSERVATION WAS HAMPERED BY POOR WEATHER OVER MOST OF THE AREA.

FIVE U.S.PLANES BASED IN GERMANY, WHICH WERE DISPATCHED TO AID IN SEARCH, WERE GROUNDED BY BAD WEATHER WHEN THEY REACHED ROME, U.S.AIRFORCES HEADQUARTERS IN GERMANY SAID.

DEC 1947

RQ544PES

BUDAPEST, DEC.10-(AP)-A RELIABLE INFORMANT SAID TODAY THAT RUSSIA HAD REDUCED FROM $260,000,000 (MILLION) TO $45,000,000 HER CLAIMS FOR GOODS DELIVERED BY GERMANY TO HUNGARY DURING THE WAR.

THE COMMUNIST-DOMINATED HUNGARIAN GOVERNMENT ANNOUNCED THAT FINANCE MINISTER MIKOS NYARADY HAD SIGNED AN AGREEMENT IN MOSCOW AFTER EIGHT MONTHS' NEGOTIATIONS ON GERMAN ASSETS AND PROPERTY AND THAT THE COUNTRIES WERE "IN COMPLETE ACCORD." THE ANNOUNCEMENT GAVE NO FIGURES.

HUNGARY HAD CONTENDED THAT SHE SUPPLIED GERMANY DURING THE WAR WITH GOODS OF MUCH GREATER VALUE THAN $260,000,000 AND THAT CONSEQUENTLY THE BALANCE WAS IN HUNGARY'S FAVOR.

QQ918AES

BELGRADE, YUGOSLAVIA, DEC. 10-(AP)-A BRITISH EMBASSY SPOKESMAN SAID TODAY BRITISH AMBASSADOR CHARLES PEAKE HAS BEEN INFORMED YUGOSLAVIA IS BREAKING OFF THE AGREEMENT WITH THE BRITISH FOR RETURN TO YUGOSLAVIA OF DISPLACED PERSONS AND PERSONS WANTED FOR TRIAL ON WAR RIMES CHARGES.

THE AGREEMENT, REACHED AT BLED BY MARSHALL TITO AND BRITISH REPRESENTATIVES SEPT. 8, CONCERNED DISPLACED PERSONS IN THE BRITISH CCUPATION ZONES OF AUSTRIA AND GERMANY.

THE COMMUNIST PARTY NEWSPAPER BORBA, WHICH REFLECTS GOVERNMENT IEWS, DECLARED THAT SINCE THE SIGNING OF THE AGREEMENT, "NOT ONE SINGLE YUGOSLAV DISPLACED PERSON HAS BEEN RETURNED AND NOT ONE SINGLE TRAITOR HAS BEEN TURNED OVER TO THE YUGOSLAV GOVERNMENT, DESPITE THE PRESENTATION OF PRIMA FACIE EVIDENCE OF GUILT."

RQ323PES

DEC 1947

SOFIA, BULGARIA, DEC.10-(AP)-THE BULGARIAN PARLIAMENT TODAY GAVE GEORGI DIMITROV A MANDATE TO FORM A NEW GOVERNMENT.

DIMITROV, VETERAN COMMUNIST, RESIGNED AS PREMIER LAST NIGHT AS A FORMALITY UNDER THE NEW CONSTITUTION ADOPTED A WEEK AGO. HE ACCEPTED THE NEW MANDATE AND SAID HIS NEW GOVERNMENT WOULD BE READY TOMORROW.

DIMITROV'S ENTIRE FATHERLAND FRONT CABINET HAD RESIGNED WITH HIM. [illegible] FROM ETC. X X X. THIRD GRAF PVS (A51).

(DISPATCHES FROM ISTANBUL LAST WEEK SAID REPORTS HAD BEEN HEARD THERE THAT BULGARIA AND YUGOSLAVIA WERE READY TO UNITE IN A SOUTHERN SLAV FEDERATION, WITH PREMIER MARSHAL TITO OF YUGOSLAVIA BECOMING CHIEF OF STATE OF THE FEDERATION AND DIMITROV TAKING OVER AS HEAD OF THE NEW NINE-NATION COMMUNIST INTERNATIONAL INFORMATION BUREAU--THE COMINFORM.

(SUCH A UNION, THESE REPORTS SAID, MIGHT ENABLE BULGARIA TO EVADE PROVISIONS OF THE BULGARIAN PEACE TREATY, INCLUDING PAYMENT OF $45,000,000 IN REPARATIONS TO GREECE AND ARMAMENTS LIMITATIONS IMPOSED BY THE VICTORS).

(EDS: IN 2ND LINE, 1ST PGH, READ IT X X X DIMITROV, WHO QUIT LAST X X X ETC.)

JP527AES

DEC 1947

WARSAW, DEC. 10-(AP)-THE ENVOYS OF THREE NATIONS CALLED UPON THE POLISH GOVERNMENT TODAY TO EXPLAIN THE ARRESTS OF THREE OF THEIR EMPLOYES AS GRADUAL RESTRICTIONS OF PRIVILEGES, ESPECIALLY OF ANGLO-SAXONS, APPEARED TO GAIN HEADWAY.

U.S. AMBASSADOR STANTON GRIFFIS SAID HE WAS MAKING REPRESENTATIONS TO THE GOVERNMENT ON THE ARREST SATURDAY OF MISS ZOFIA MICHALOWSKA, 36, WHO HAS BEEN EMPLOYED AS CLERK IN AMERICAN CONSULATES IN WARSAW AND KRAKOW.

BELGIAN MINISTER HAROLD EEMAN AND THE SWEDISH CHARGE D'AFFAIRS DEMANDED REASONS FOR THE DETENTION OF TWO OF THEIR EMPLOYES.

CHARGES AGAINST THE THREE WERE NOT IMMEDIATELY DISCLOSED.

MEANTIME, THE POLISH HEALTH MINISTRY HAS CLOSED WARSAW'S LEADING HOSPITALS TO FURTHER ADMISSION OF AMERICAN AND BRITISH PATIENTS. THE MINISTRY, HOWEVER, HAS OFFERED ANOTHER HOSPITAL WHICH IS NOT AS ADEQUATELY EQUIPPED.

THE AMERICAN EMBASSY PHYSICIAN, CAPT.WALTER BULLOCK, OF MILWAUKEE, WIS., HAS BEEN DENIED FURTHER ACCESS TO THE CLINIC OF THE UNIVERSITY OF WARSAW WITHOUT SPECIAL PERMIT.

AMERICANS ATTACHED TO THE UNIVERSITY OF WARSAW IN A STUDENT OR TEACHING CAPACITY SAID THEY WERE TOLD THEY CANNOT INVITE ANGLO-SAXONS TO CHRISTMAS PARTIES THIS YEAR.

RW143PES

STOCKHOLM, SWEDEN, DEC 10-(AP)-THE NEWSPAPER MORGONTIDNINGEN PUBLISHED TODAY A STORY BY ITS MOSCOW CORRESPONDENT SAYING THAT A BUYING PANIC HIT THE RUSSIAN CAPITAL AND OTHER SOVIET CITIES IN THE LAST DAYS OF NOVEMBER AND THAT BY DEC.8 ALL STORES HAD BEEN VIRTUALLY STRIPPED.

DEC 1947

THE CORRESPONDENT, BIRGER LUNDBERG, NOW IS IN HELSINKI ON HIS WAY HOME. HIS COPYRIGHTED STORY DECLARED THAT THE BUYING RUSH WAS CAUSED BY A RUMOR THAT THE SOVIET GOVERNMENT INTENDED TO EXCHANGE PAPER MONEY SOON--DEC.15 WAS THE DATE HE SAID "INFORMED" PERSONS GAVE HIM--AND AT THE SAME TIME ABOLISH RATIONING.

HE SAID RUSSIAN CITIZENS FEARED THEIR PAPER RUBLES MIGHT BE RENDERED WORTHLESS IN THE EXCHANGE.

(GEORGI MALENKOV, A MEMBER OF THE POLITBURO IN MOSCOW, SAID IN A REPORT YESTERDAY THAT CONDITIONS HAD BEEN CREATED FOR THE "ABOLITION DURING THIS YEAR OF RATIONING IN THE SOVIET UNION."

(THE MALENKOV REPORT ADDED THAT "THE SOVIET STATE ALREADY HAS CARRIED OUT A SERIES OF MEASURES FOR ABOLISHING MULTIPLICITY OF PRICES WITH THE PURPOSE OF PREPARATION FOR THE END OF RATIONING." THE REPORT, PUBLISHED IN PRAVDA, DID NOT EXPLAIN WHAT THE MEASURES WERE.)

LUNDBERG'S STORY SAID THE BUYING PANIC HIT MOSCOW ON NOV.29 WHEN RESIDENTS STORMED JEWELRY AND FUR SHOPS AND THE CITY'S BIGGEST DEPARTMENT STORE, BUYING "ALL THEY COULD GET, VALUABLES, FUR COATS, PIANOS, FURNITURE."

HE SAID THE DEPARTMENT STORE CLOSED "DUE TO REPAIRS" THE NEXT DAY AND OTHER SHOPS CLOSED FOR "STOCK TAKING."

(ON DEC.4, U.S. UNDERSECRETARY OF STATE ROBERT A.LOVETT TOLD A SENATE COMMITTEE THAT SOMETHING "IN THE NATURE OF PANIC BUYING" HAD HIT RUSSIA. HE ATTRIBUTED IT TO RUMORS OF IMPENDING PRICE INCREASES AND DEVALUATION OF THE RUBLE. HE SAID THERE WERE HEAVY RUNS ON BANKS.

(REPORTS IN WASHINGTON, BY SOURCES IN A POSITION TO KNOW, ALSO MENTIONED THE CLOSING OF ONE OF MOSCOW'S PRINCIPAL DEPARTMENT STORES "FOR REPAIRS" AND OF OTHER SHOPS FOR "INVENTORY.")

LUNDBERG SAID THE RUSSIAN BUYERS TOOK ANYTHING THEY COULD BUY, FOOD, VODKA, CAVIAR AND FRUIT. FARMERS, HE SAID, WITHHELD PERISHABLE FOOD FROM THE MARKET AND SENT PRICES FOR EGGS, BUTTER AND MEAT STILL HIGHER.

"IT WAS A REMARKABLE SPECTACLE TO WITNESS HOW MERE RUMOR FROM MOUTH TO MOUTH COULD CREATE A PANIC UNEQUALLED IN THE 30-YEAR HISTORY OF THE REVOLUTION AND HOW THE WELL-DISCIPLINED PRESS PRETENDED NOT TO KNOW WHAT WAS HAPPENING WHILE MOSCOW'S SHOPS WERE RAKED BARE OF GOODS," HE ADDED.

DEC 1947

DN550AES

MALENKOV REPORTED THAT PRODUCTION OF COAL, COPPER, ALUMINUM, NICKEL, ELECTRIC POWER, TRACTORS, LATHES, AND "SEVERAL OTHER TYPES OF MACHINERY" HAD PASSED THE PRE-WAR LEVEL LAST JULY. EXCEPT FOR COAL, THIS HAD NOT BEEN DISCLOSED PREVIOUSLY.

MALENKOV REVEALED, HOWEVER, THAT THE INTERNATIONAL SITUATION HAD PREVENTED THE IMPORT OF EQUIPMENT NEEDED BY THE SOVIET ECONOMY.

MALENKOV'S REPORT IS CONSIDERED ONE OF THE MOST IMPORTANT SOVIET DOCUMENTS OF THE YEAR, RANKING WITH FOREIGN MINISTER V.M. MOLOTOV'S SPEECH OF NOV. 6 AND WITH THE SPEECH OF ANDREI A. ZHDANOV, ALSO A POLITBURO MEMBER, BEFORE THE COMINFORM ORGANIZATION MEETING.

HAROLD WILSON, PRESIDENT OF THE BRITISH BOARD OF TRADE, WHO ARRIVED FRIDAY TO RENEW ANGLO-RUSSIAN TRADE TALKS, LEFT BY PLANE TODAY TO RETURN TO LONDON. A GROUP OF BRITISH TRADE EXPERTS ARE CONTINUING THE DISCUSSIONS WITH THE RUSSIANS.

DEC 1947

WILSON SAID YESTERDAY HE WAS NOT ENCOUNTERING ANY DIFFICULTIES IN THE NEGOTIATIONS. HOWEVER, HE DECLINED TO ANSWER SPECIFIC QUESTIONS ON THE PROGRESS MADE, SAYING HE DID NOT HIMSELF KNOW THE ANSWERS.

(A HIGH BRITISH GOVERNMENT SOURCE SAID IN LONDON HE BELIEVED BRITAIN AND RUSSIA HAD REACHED AN AGREEMENT "IN PRINCIPLE" ON A NEW TRADE PACT. OTHERWISE, THIS SOURCE ADDED, HE DID NOT THINK WILSON WOULD BE RETURNING.) MOSCOW-PRICES-XXX STATUTES

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(EDITORS: SECOND GRAF ABOVE READ: X X X GEORGI MALENKOV - - - NOT GEORGE)

TU1114AES

MOSCOW,DEC.10-(AP)-HAROLD WILSON, PRESIDENT OF THE BRITISH BOARD OF TRADE, LEFT MOSCOW BY PLANE IN HIGH SPIRITS TODAY AMID INDICATIONS HIS MISSION TO NEGOTIATE A TRADE TREATY AND CREDIT AGREEMENTS HAD BEEN HIGHLY SUCCESSFUL.

(WILSON REACHED LONDON LATE IN THE DAY.)

"MAJOR POINTS SEEM TO BE SETTLED," AN INFORMED BRITISH SOURCE SAID. WILSON RESERVED HIS COMMENT FOR THE HOUSE OF COMMONS TOMORROW. INTENSIVE NEGOTIATIONS HAD BEEN IN PROGRESS SINCE HIS ARRIVAL DEC.5. THE TALKS LASTED THROUGH LAST NIGHT.

IMPORTANT SOVIET OFFICIALS CORDIALLY BADE HIM FAREWELL. WILSON LEFT BEHIND A DELEGATION UNDER SIR MAURICE PETERSEN, THE BRITISH AMBASSADOR, TO CONTINUE NEGOTIATIONS IN QUEST OF A COMPLETE AGREEMENT.

DEC 1947

CONCLUSION OF A TRADE TREATY WOULD MAKE AVAILABLE SOON TO BRITISH PURCHASE A LARGE QUANTITY OF RUSSIAN GRAIN AND EVEN GREATER QUANTITIES DURING THE NEXT TWO YEARS. THE BRITISH WOULD SELL RUSSIA LARGE QUANTITIES OF INDUSTRIAL EQUIPMENT AND OTHER PRODUCTS.

(NO PICKUP)

MJ1235PES

MOSCOW, DEC 10-(AP)-HAROLD WILSON, PRESIDENT OF THE BRITISH BOARD OF TRADE, DEPARTED FOR LONDON BY PLANE TODAY, LEAVING A GROUP OF EXPERTS BEHIND TO CONTINUE TRADE NEGOTIATIONS WITH RUSSIAN OFFICIALS.

WILSON ARRIVED IN MOSCOW DEC.5 TO INAUGURATE THE TALKS.

DN713AES

30.24- 14151

MOSCOW, DEC. 10-(AP)-A FRENCH EMBASSY SPOKESMAN SAID TODAY THAT THE FIVE MEMBERS OF THE FRENCH REPATRIATION MISSION, ORDERED OUT OF THE COUNTRY BY THE RUSSIAN GOVERNMENT YESTERDAY, HAD RECEIVED THEIR EXIT VISAS AND WOULD DEPART FOR HOME LATER IN THE DAY OR TOMORROW.

THE RUSSIANS ORDERED THE MISSION TO LEAVE AFTER THE FRENCH GOVERNMENT HAD EXPELLED THE SOVIET REPATRIATIONS MISSION FROM FRANCE ON THE GROUND IT HAD PARTICIPATED IN "SUBVERSIVE ACTIVITIES"

DEC 1947

FW616AES

JAFFA, DEC. 10-(AP)-CITIES OF ARAB JAFFA AND JEWISH TEL AVIV CLOSE NEIGHBORS AND BLOOD ENEMIES, HAVE RETURNED TO NORMAL--AT LEAST ON THE SURFACE.

MAYORS AND BOOTBLACKS AGREE IN BOTH CITIES ON TWO FUNDAMENTALS:

ARABS ARE SCARED, MAD AND BEWILDERED.

JEWS ARE SCARED, GLAD AND DETERMINED.

THE IMPRESSION GAINED AFTER A DAY OF TOURING BYSTREETS IN BOTH CITIE IS THAT, BECAUSE BOTH AR

THE IMPRESSION GAINED AFTER A DAY OF TOURING BYSTREETS IN BOTH CITIE IS THAT, BECAUSE BOTH ARE SCARED, FIGHTING MAY DWINDLE AND CEASE.

BUT, BECAUSE OF ARAB ANGER OVER PARTITION AND JEWISH DETERMINATION TO FULFILL THE UNITED NATIONS PROMISE OF STATEHOOD, FIGHTING IS QUITE LIKELY TO START AGAIN.

MAYOR YOUSEF HAIKEL, DECLARED HIS OPPOSITION TO "BRIGANDRY BY BOTH ARABS AND JEWS" AND ADDED:

"THINKING ARABS ARE TRYING TO STOP BOTH SIDES FROM FURTHER BLOODSHED. WE ARABS OF JAFFA WISH TO WAIT IN PEACE AND MAKE NO DISTURBANCE UNTIL WE ARE CALLED TO ACTION BY OUR LEADERS."

OTHER ARAB SOURCES SAID THE JEWISH ARMY, HAGANA, HAD ASKED FOR A TRUCE AND HAD CEASED FIRING.

MOHAMMED NIMER HUWARI, COMMANDER OF "NEJADA," THE ARAB YOUTH ORGANIZATION FORMED IN JAFFA TWO YEARS AGO AND GARBED IN SURPLUS AMERICAN ARMY UNIFORMS, SAID:

"WE HAVE NOT BEGUN OUR FIGHT. NONE OF OUR MEN HAVE BEEN IN ACTION OTHER THAN TO PATROL THE JAFFA-TEL AVIV BORDER, BOTH TO KEEP ARAB MOBS FROM STORMING TEL AVIV AND JEWISH MOBS OUT OF JAFFA."

DEC 1947

RQ432PES

LONDON, DEC 10-(AP)-A HIGH GOVERNMENT SOURCE SAID TODAY THE BRITISH GOVERNMENT EXPECTED THE ARRIVAL OF THE UNITED ~~NATITY~~ NATIONS PALESTINE COMMISSION IN THE HOLY LAND.

CNRZ

THE COMMISSION'S JOB WILL BE TO IMPLEMENT THE UNITED NATIONS GENERAL ASSEMBLY'S DECISION TO PARTITION PALESTINE INTO ARAB AND JEWISH STATES.

THE SOURCE DECLINED TO PREDICT THE NATURE OR EXTENT OF THE EXPECTED "TROUBLE." HIGH ARAB LEADERS ALREADY HAVE CALLED FOR A HOLY WAR.

THE INFORMANT SAID BRITAIN WOULD NOT BEGIN A SUBSTANTIAL WITHDRAWAL OF HER TROOPS FROM PALESTINE UNTIL SPRING, WHEN THE RAILWAYS AND HIGHWAYS WILL BE LARGELY CLEAR OF THE CITRUS CROP, JUST REACHING THE HEIGHT OF ITS SEASON.

G954AES

UNDATED PALESTINE

BY THE ASSOCIATED PRESS

THE BRITISH THREATENED PALESTINIAN ARABS AND JEWS TODAY WITH SEVERE MEASURES UNLESS THEY ENDED THE COMMUNAL STRIFE WHICH HAS RESULTED IN 127 DEATHS IN THE HOLY LAND AND 255 IN THE WHOLE MIDDLE EAST SINCE THE UNITED NATIONS VOTED TO PARTITION THE MANDATE.

FOREIGN MINISTER FADHIL JAMALI OF IRAQ SAID IN NEW YORK A "GENERAL STRUGGLE" WOULD BEGIN IN PALESTINE WHEN THE BRITISH, WHO SURRENDER THEIR MANDATE MAY 15, PULL OUT IN AUGUST.

"PLANS ARE BEING MADE OVER THERE NOW FOR THE FIGHT," HE SAID, REFERRING APPARENTLY TO THE ARAB LEAGUE MEETING IN CAIRO. THE ARAB LEAGUE LEADERS WERE TALKING OF HOLY WAR AND INVASION OF PALESTINE BY ARMIES OF THE SEVEN NEARBY ARAB STATES WHEN THE BRITISH LEAVE.

FOREIGN MINISTER FAISAL AL SAUD OF SAUDI ARABIA SAID IN CAIRO HE "PERSONALLY WOULD HATE TO ATTEND ANY FURTHER MEETINGS OF THE UNITED NATIONS."

ARABS ATTACKED GEVULOT IN THE SOUTHERN PALESTINIAN DESERT AND KILLED SIX JEWS. POLICE DROVE THEM OFF. AN ARAB HOUSE IN KARATIYA WAS BLOWN UP AND FOUR ARABS WERE KILLED. TWO HEAVY EXPLOSIONS JARRED HAIFA. AN UNEASY CALM SETTLED OVER THE TEL AVIV-JAFFA BORDER BATTLE AREA WHERE THE BRITISH OPPOSED A CURFEW.

PALESTINE PROPERTY LOSSES IN THE 11 DAYS OF RIOTS WERE ESTIMATED AT $10,000,000.

GEN. SIR ALAN CUNNINGHAM, HIGH COMMISSIONER OF PALESTINE, ISSUED THE WARNING TO THE OPPOSING FACTIONS BUT DID NOT DISCLOSE THE NATURE OF THE SEVERE MEASURES HE HAD IN MIND.

DEC 1947

008AES

TEHRAN, DEC. 10-(AP)-PREMIER AHMED QAVAM'S RESIGNATION WAS EXPECTED MOMENTARILY TODAY AFTER THE IRANIAN PARLIAMENT FAILED TO GIVE HIM A SUFFICIENT MAJORITY IN A VOTE OF CONFIDENCE. THE VOTE WAS 46 TO 39 IN FAVOR OF QAVAM, WITH 27 ABSTENTIONS, BUT UNDER THE CONSTITUTION QAVAM MUST STEP DOWN.

TEHRAN--FIRST ADD QAVAM ~~MUST~~ STEP DOWN.

THE TEHRAN RADIO REPORTED THAT QAVAM WAS ALREADY OUT.

IN A SPEECH BEFORE THE VOTE, QAVAM ACCUSED EACH OF THE THREE RULING POWERS OF IRAN--THE SHAH, PARLIAMENT AND CABINET--OF INTRIGUE AND INTERFERENCE IN AFFAIRS OF THE OTHERS.

"I HAVE SERVED THIS COUNTRY WITH ALL MY POWER AND NOW ASK FOR A VOTE OF A CONFIDENCE," HE SAID. "I WILL GO AND LET HISTORY JUDGE MY SERVICES."

RQ346PES

NANKING,DEC 10 (AP)-HOLLINGTON TONG, GOVERNMENT DIRECTOR OF INFORMATION, TODAY SAID SHANGHAI OFFICIALS LIMITED THE RECEIPT OF FISH FROM UNRRA VESSELS BECAUSE THEY FEARED ACCEPTANCE OF THE FULL CATCH WOULD ENDANGER THE LIVELIHOOD OF CHINESE FISHERMEN.

HE SAID AMICABLE SETTLEMENT WOULD BE SOUGHT. DEC 1947

THE SHANGHAI PRESS REPORTED HUNDREDS OF THOUSANDS OF POUNDS OF FISH SPOILED ON THE UNRRA FISHING VESSELS WHILE THE POPULACE WENT HUNGRY.

GG840ACS

BATAVIA, THURSDAY, DEC. 11-(AP)-PREMIER S. J. WAROUW OF DUTCH-SPONSORED EAST INDONESIA AND HIS CABINET RESIGNED YESTERDAY AFTER A VOTE OF NO-CONFIDENCE AND PRESIDENT SOEKAWATI WAS EXPECTED TO ASK A PROMINENT POLITICAL FIGURE TO FORM A NEW GOVERNMENT TODAY.

INFORMED CIRCLES HERE ATTRIBUTED THE FALL OF THE WAROUW CABINET TO LACK OF SUFFICIENT REPRESENTATION IN IT OF EAST INDONESIAN "PROGRESSIVES." THE LATTER FACTION, WHILE FAVORING COOPERATION WITH THE DUTCH, IS CONSIDERED LESS ANTI-REPUBLICAN THAN THE MORE CONSERVATIVE GROUP WHICH DOMINATED WAROUW'S MINISTRIES.

THIS WAS THE SECOND TIME IN THREE MONTHS THAT THE EAST INDONESIAN PROVISIONAL PARLIAMENT HAS VOTED NO-CONFIDENCE IN THE GOVERNMENT. WAROUW REPLACED FORMER PREMIER NADJAMOEDDIN AFTER THE LATTER WAS ACCUSED OF BLACK MARKET OPERATIONS IN GOVERNMENT SUPPLIES.

HJ1202AES

SEOUL, KOREA, THURSDAY, DEC.11-(AP)-REPORTS FROM NORTH KOREA TODAY SAID A SUDDEN RECALL OF SOVIET OCCUPATION CURRENCY IN THAT RUSSIAN-OCCUPIED AREA HAD PRECIPITATED INTENSIVE BUYING ACTIVITY DEC. 4--APPARENTLY COINCIDENTAL WITH A SIMILAR REPORTED WAVE OF PANIC BUYING IN RUSSIA.

AMERICAN OFFICIALS DECLINED COMMENT ON THE REPORTS, ATTRIBUTED BY THE SOUTH KOREAN PRESS TO TRAVELERS FROM NORTH KOREA. THEY WERE ALSO SILENT ON WORD FROM WASHINGTON THAT THE UNITED STATES PLANS TO ISSUE A NEW CURRENCY IN SOUTH KOREA TO CHECK INFLATION IN EVENT OF FAILURE TO AGREE WITH RUSSIA ON ESTABLISHMENT OF A UNIFIED KOREAN GOVERNMENT.

"THAT'S STILL TOP SECRET SO FAR AS WE ARE CONCERNED," THEY EXPLAINED. DEC 1947

THE NORTH KOREAN REFUGEES SAID PEOPLE THERE WERE NOTIFIED EARLY DEC. 4 THAT THEY HAD UNTIL DEC. 7 TO EXCHANGE THEIR "RED YEN"--CURRENCY BROUGHT INTO NORTH KOREA BY THE RUSSIANS AT THE START OF THE OCCUPATION--FOR NEW YEN PRINTED BY THE PEOPLE'S CENTRAL BANK OF NORTH KOREA.

IMMEDIATELY, THE TRAVELERS SAID, PEOPLE RUSHED INTO STORES SEEKING TO BUY ANYTHING WITH RESALE VALUE. AT NOON, THE PEOPLE'S INTERIM GOVERNMENT OF NORTH KOREA ORDERED ALL PRIVATE STORES CLOSED TO HALT THE BUYING WAVE.

GOVERNMENT-OWNED DEPARTMENT STORES AND NATIONAL RICE SHOPS REMAINED OPEN, BUT ONLY NORTH KOREAN LABOR PARTY MEMBERS WITH RATION CARDS COULD PURCHASE AT THESE. NEVERTHELESS, THEIR SALES BOOMED. 644

HEADS OF FAMILIES TURNING IN RED YEN AT PYONGYANG BANKS REPORTED RECEIVED TWICE AS MANY NEW YEN AS INDIVIDUALS; THE LATTER GOT A RECEIPT FOR THE BALANCE.

THE PEOPLE WERE TOLD THEY WOULD LEARN FURTHER DETAILS OF THE EXCHANGE POLICY FEB. 4.

ONLY A FEW LARGE MERCHANTS, WHO COULD JUSTIFY POSSESSION OF THAT MUCH YEN, TURNED IN OVER 10,000. ONE MAN ESTIMATED ONLY A TENTH OF THE EIGHT BILLION RED YEN IN CIRCULATION WAS TURNED IN. MANY, HE SAID, FEARED PROSECUTION AS PROFITEERS OR BLACK MARKETEERS IF THEY TURNED IN LARGE SUMS. DEC 1947

DEBTORS SOUGHT EAGERLY TO PAY UP WITH OLD YEN, BUT CREDITORS WERE RELUCTANT TO ACCEPT, URGING THE DEBTOR TO "PAY ME NEXT SPRING." A FEW ANGRILY THREW FISTS FULL OF RED YEN INTO THE AIR, GAVE THEM AWAY, OR SCATTERED THEM AROUND ON THE STREETS, TRAVELERS RELATED.

SOME SOUGHT TO BUY UP OLD CHOSUN YEN, PRINTED IN JAPAN AND USED BEFORE THE LIBERATION, WITH THE INTENTION OF TAKING IT TO SOUTH KOREA WHERE IT WOULD STILL BE NEGOTIABLE AT BANKS. ONE TRAVELER SAID HIGH NORTH KOREAN GOVERNMENT OFFICIALS MUST HAVE KNOWN OF THE EXCHANGE TWO WEEKS IN ADVANCE AND ACTED ACCORDINGLY, BECAUSE NONE APPEARED AT BANKS TO TURN IN OLD YEN.

THE SAME SOURCE ALSO SAID THAT SOVIET AND NORTH KOREAN PEOPLE'S ARMY OFFICERS AND ENLISTED MEN WERE ALLOWED TO EXCHANGE UP TO 10,000 YEN EACH.

THE RUSSIANS, TRAVELERS SAID, PROCLAIMED THE EXCHANGE A SUCCESS, DECLARING THAT SOME PRICES HAD DROPPED AS MUCH AS 1,000 PER CENT.

WR1033PPS NM

BAGUIO, PHILIPPINES, THURSDAY, DEC.11-(AP)-THE PHILIPPINE REPUBLIC WILL ACCEPT MEMBERSHIP ON THE UNITED NATIONS PALESTINE AND KOREA COMMISSIONS, BUT WILL NOT RENEW THE LATE PRESIDENT MANUEL QUEZON'S OFFER TO ACCEPT 10,000 JEWS A YEAR AS IMMIGRANTS TO MINDANAO.

VICE PRESIDENT ELPIDIO QUIRINO ANNOUNCED THE DECISIONS AT A NEWS CONFERENCE AFTER TALING WITH PRESIDENT MANUEL A. ROXAS LAST NIGHT.

QUEZON'S INVITATION, QUIRINO SAID, WAS EXTENDED ONLY AS AN EMERGENCY MEASURE WHILE HITLER WAS IN POWER. DEC 1947

FILIPINO DELEGATES TO THE TWO U. N. COMMISSIONS, HE ADDED, WILL BE SELECTED FROM AMONG PHILIPPINE CONGRESSMEN. EACH DELEGATE WILL BE ASSISTED BY FIVE ADVISERS.

QUIRINO ALSO ANNOUNCED A DEFINITE DECISION TO ESTABLISH LEGATIONS IN LONDON AND NANKING NEXT MONTH. A FOREIGN AFFAIRS SOURCE SAID FORMER SENATOR RAMON J. FERNANDEZ, OWNER OF THE INTERISLAND SHIPPING LINE, HAS BEEN SELECTED AS MINISTER TO THE COURT OF ST. JAMES AFTER CONSULTATION WITH THE BRITISH GOVERNMENT. THE APPOINTMENT OF SENATOR PROCESO SEBASTIAN TO THE CHINA POST WAS BEING DISCUSSED WITH NANKING, THIS SOURCE REPORTED.

EJ/DV953PCS

DEC 1947 30.24- 14153

MANILA, THURSDAY, DEC. 11-(AP)-A FILIPINO MOUNTAINEER, WITNESS IN THE WAR CRIMES TRIAL OF A FORMER JAPANESE SECRET POLICE AGENT, FATALLY SHOT HIMSELF RATHER THAN FACE FURTHER CROSS EXAMINATION BY THE DEFENSE.

THE NATIONAL WAR CRIMES OFFICE REPORTED TODAY THAT THE 25-YEAR-OLD WITNESS, SEGUNDO LOPEZ, LEFT A SUICIDE NOTE EXPLAINING:

"YOU HONORABLE LAWYERS ARE TRYING TO LEAD ALL THE WITNESSES AS COLLABORATORS.....NOW I'LL BETTER NOT BE A WITNESS BECAUSE THE MORE I WITNESS THE WORSE I BECOME."

DEC 1947

FJ1001PCS

FORT SHAFTER, HAWAII, DEC.9-(AP)-DON WHITEHEAD, CHIEF OF THE ASSOCIATED PRESS BUREAU IN HONOLULU, WAS PRESENTED THE MEDAL OF FREEDOM TODAY FOR "MERITORIOUS ACHIEVEMENT" AS A WAR CORRESPONDENT IN EUROPE.

LT. GEN. JOHN E. HULL, COMMANDER OF U. S. ARMY FORCES IN THE MID-PACIFIC, MADE THE PRESENTATION.

A CITATION, COVERING THE PERIOD FROM THE NORMANDY INVASION TO THE GERMAN SURRENDER, SAID: "HE DISTINGUISHED HIMSELF BY HIS GREAT COURAGE AND OUTSTANDING DEVOTION TO THE ALLIED CAUSE. . HIS WORKMAN-LIKE WRITING, HIS CAPABLE JUDGMENT OF NEWS AND HIS ALL-ROUND ABILITY RESULTED IN OUTSTANDING SERVICES WHICH MERIT HIM THE PRAISE AND RECOGNITION OF THE UNITED STATES."

WHITEHEAD, WHO COVERED THE EUROPEAN CAMPAIGN WITH THE FIRST ARMY, ALSO PARTICIPATED IN THE NORTH AFRICA, SICILIAN AND ITALIAN OPERATIONS.

DEC 1947

EJ658PCS

HONOLULU,DEC.10-(AP)-THE DEATH OF AMBASSADOR GEORGE ATCHESON JR. IN A PLANE CRASH NEAR OAHU LAST AUGUST HAS RESULTED IN RECOMMENDATIONS THAT THE U.S.AIR FORCE TAKE GREATER SAFETY PRECAUTIONS FOR PASSENGERS AND CREWS ON FLIGHTS OVER WATER OR DESOLATE AREAS.

THIS WAS DISCLOSED TODAY IN ANSWER TO QUESTIONS SUBMITTED BY THE HONOLULU STAR-BULLETIN AND THE ASSOCIATED PRESS SEEKING MORE INFORMATION ABOUT THE ACCIDENT, WHICH THE AIR FORCE ATTRIBUTED TO FUEL EXHAUSTION CAUSED BY TOO HIGH POWER SETTINGS ON ENGINES.

BRIG.GEN.V.H.KIMBLE, WHO MADE AN INVESTIGATION ON ORDERS OF THE AIR FORCE, MADE RECOMMENDATIONS IN HIS REPORT WHICH, FOLLOWED THE USUAL CUSTOM, IS "CLASSIFIED." HE RECOMMENDED:

FUEL CONSUMPTION CHARTS BE ESTABLISHED BY THE AIR FORCE FOR OVERWATER OR DESOLATE AREAS; CUSHIONS AND MATTRESSES BE STUFFED WITH SOME BUOYANT MATERIAL; PILOTS AND CREW MEMBERS OF THE AIR FORCE BE THOURHGLY BRIEFED ON SEARCH AND RESCUE PROCEDURE FOR THEIR PARTICULAR LOCALITY WITH EMPHASIS ON THE IMPORTANCE OF RADIO AND AIR DISCIPLINE.

THE BARKING SANDS AIR BASE ON THE HAWAIIAN ISLAND OF KAUAI NORTHWEST OF OAHU BE ESTABLISHED AS A SUITABLE ALTERNATE TO OAHU BASES;

CONSIDERATION BE GIVEN TO REQUIRING A ONE-MAN LIFE RAFT FOR EACH PASSENGER AND CREW MEMBERS ON EXTENDED OVER-WATER FLIGHTS; ALL AIRCRAFT BE EQUIPPED WITH SUITABLE FLARES FOR OVER-WATER NIGHT FLIGHTS.

THE AIR FORCE SAID NO CHECK WAS MADE OF GASOLINE CONSUMPTION BY THE PILOT OF THE ATCHESON PLANE ON ITS FLIGHT TO KWAJALEIN FROM GUAM, WHERE A NEW ENGINE WAS INSTALLED, NOR WERE THERE ANY FUEL CONSUMPTION RECORDS KEPT ON THE FLIGHT LEGS FROM TOKYO.

ASKED IF ALL CRASH INVESTIGATIONS ARE CLASSIFIED (SECRET), THE AIR FORCE REPLIED THEY WERE BECAUSE WITNESSES ARE ASSURED FINDINGS WILL BE USED ONLY TO PREVENT FURTHER ACCIDENTS.

DV829PCS

BUENOS AIRES, DEC. 10-(AP)-THE SAN MARTIN INSTITUTE SAID TODAY IT WOULD PLACE A WREATH TOMORROW ON A STATUE OF GEORGE WASHINGTON IN A BUENOS AIRES PARK AS AN APOLOGY TO WASHINGTON'S MEMORY FOR AN ARTICLE PUBLISHED IN TIME MAGAZINE CONCERNING JOSE DE SAN MARTIN, ARGENTINA'S LIBERATOR.

THE INSTITUTE, WHICH DEVOTES ITSELF TO THE STUDY OF THE LIFE OF THE SOUTH AMERICAN HERO, SAID IT WOULD MAKE THE APOLOGY ON THE GROUN THAT "THE PUBLICATION DAMAGES EQUALLY THE SPIRIT OF THE HEROES OF TH COUNTRY WHERE IT WAS PUBLISHED."

IN ITS DEC. 8 ISSUE, TIME, REPORTING THE INTERMENT OF SAN MARTIN' PARENTS, WHOSE BODIES HAD BEEN BROUGHT HERE FROM SPAIN, SAID A SCHOO CHILD VIEWING THE PROCESSION, WHISPERED TO A NEIGHBOR:

"DID YOU HEAR, PIBE (FRIEND), THAT NEXT YEAR THEY ARE GOING TO BRING BACK HIS HORSE?"

AN OFFICIAL GOVERNMENT COMMUNIQUE ISSUED HERE ASKED "WHAT SINISTE PURPOSE GUIDED THE HAND OF THE AUTHOR OF SUCH AN INFAMOUS LIBEL AGAINST THE MEMORY OF SAN MARTIN?"

WILLIAM JOHNSON, TIME CORRESPONDENT IN BUENOS AIRES, CALLED AT THE GOVERNMENT PRESS OFFICE TODAY FOR WHAT HE DESCRIBED AS A "FRIENDLY" DISCUSSION OF THE STORY.

A PRESS OFFICE COMMUNIQUE BROADCAST THROUGHOUT ARGENTINA TONIGHT CRITICIZED THE TIME ARTICLE, AND THE GENERAL WORKERS FEDERATION JOINED THE CHORUS OF DISAPPROVAL WITH A SPECIAL COMMUNIQUE.

HJ1148PES

BUENOS AIRES, DEC.10-(AP)-THE PRO-GOVERNMENT NEWSPAPER LA EPOCA SAID TODAY THAT AMERICANS FOR DEMOCRATIC ACTION, WHICH ISSUED A STATEMENT IN WASHINGTON TUESDAY CRITICIZING PRESIDENT JUAN D. PERON OF ARGENTINA AND CHIEF OF STATE FRANCO OF SPAIN, WAS "A GROUP OF FOUR OR FIVE IRRESPONSIBLE FOUNDERS OF SUPPOSED ASSOCIATIONS FOR NIGHT CLUB DEMOCRACY."

THE PAPER SAID THE ADA STATEMENT, WHOSE SIGNERS INCLUDED MRS. FRANKLIN D. ROOSEVELT AND SUMNER WELLES, HAD "A BACKGROUND OF CRAPULOUS SADISM."

DEC 1947

THE EDITORIAL ADDED THAT "WE DO NOT LIKE THESE PEOPLE TO CONSTITUTE THEMSELVES CRITICS OF A GOVERNMENT WHICH, ASIDE FROM BEING DEMOCRATIC, IS JUST AS SOVEREIGN AS THEIR OWN."

(THE ADA STATEMENT SAID THAT "FASCISTS AND REACTIONARIES--FRANCOS AND PERONS--ARE NOT JUST STRANGE COMRADES IN THE STRUGGLE FOR FREEDOM AGAINST TOTALITARIANISM; THEY ALSO REPRESENT A BAD PRACTICAL INVESTMENT.")

BD1133PES

BUENOS AIRES, DEC. 10-(AP)-DIPLOMATIC SOURCES SAID TODAY ARGENTINA IS SEEKING TO PURCHASE ARMS--CHIEFLY DEFENSIVE WEAPONS--FROM THE UNITI STATES.

THE INFORMANTS SAID THE ARGENTINE GOVERNMENT DISCUSSED THIS WITH LT.GEN.WILLIS D.CRITTENBERGER, U.S.CARIBBEAN AREA COMMANDER, DURING HIS RECENT SOUTH AMERICAN TOUR BUT THAT CRITTENBERGER MADE NO OMMITMENTS.

THESE SOURCES SAID U.S.RELATIONS WITH ARGENTINA HAVE IMPROVED SINCE THE ARGENTINES SUPPORTED U.S.VIEWS AT THE QUITANDINHA HEMISPHERE EFENSE CONFERENCE AND THAT THE STATE DEPARTMENT NOW MAY BE WILLING TO PERMIT DIRECT SALES OF ARMS TO THE SOUTH AMERICAN NATION. THE NITED STATES, THEY ADDED, IS NOT WORRIED THAT SUCH ARMS MIGHT BE PUT TO ANY OTHER THAN DEFENSIVE USES.

ARGENTINA ALONE AMONG THE LATIN-AMERICAN REPUBLICS RECEIVED NO LEND-LEASE ARMS FROM THE UNITED STATES DURING WORLD WAR II BECAUSE OF THE ARGENTINE DELAY IN BREAKING RELATIONS WITH THE AXIS AND DECLARING VAR ON GERMANY AND JAPAN.

PRESIDENT JUAN D.PERON'S GOVERNMENT IS UNDERSTOOD TO BE SEEKING NTIAIRCRAFT EQUIPMENT AND SMALL ARMS FROM THE UNITED STATES.

RQ319PES

DEC 1947

PANAMA, DEC. 10-(AP)-FOREIGN MINISTER RICARDO J. ALFARO RESIGNED FROM THE GOVERNMENT LAST NIGHT BECAUSE OF HIS OPPOSITION TO A PROPOSED AGREEMENT UNDER WHICH PANAMA WOULD LEASE 13 DEFENSE BASES TO THE UNITED STATES.

PRESIDENT ENRIQUE ADOLFO JIMINEZ, WHO ANNOUNCED ALFARO'S RESIGNATION, SAID THE AGREEMENT WOULD BE SIGNED TODAY AND PRESENTED TO THE NATIONAL ASSEMBLY FOR APPROVAL AT A SPECIAL SESSION FRIDAY.

THE UNITED STATES REGARDS THE BASES AS VITAL TO DEFENSE OF THE PANAMA CANAL.

FW615AES

PANAMA, PANAMA, DEC. 10-(AP)-FLORENCIO AROSEMENA FORTE WAS APPOINTED FOREIGN MINISTER OF PANAMA TODAY SUCCEEDING RECARDO J. ALFARO, WHO RESIGNED LAST NIGHT BECAUSE OF HIS OPPOSITION TO AN AGREEMENT BETWEEN PANAMA AND THE UNITED STATES AUTHORIZING THE LATTER TO SET UP 13 CANAL DEFENSE BASES ON PANAMANIAN TERRITORY.

BD1134PES

DEC. 1947

PANAMA, PANAMA, DEC. 10-(AP)-U.S.AMBASSADOR FRANK T.HINES AND ACTING FOREIGN MINISTER FRANCISCO FILOS SIGNED AN AGREEMENT TODAY AUTHORIZING THE UNITED STATES TO SET UP 13 CANAL DEFENSE BASES ON PANAMANIAN TERRITORY.

HINES CALLED THE AGREEMENT, REACHED IN 16 MONTHS OF NEGOTIATIONS, A "FINE SUPPLEMENT" TO THE TREATY OF HEMISPHERE DEFENSE SIGNED RECENT LY BY LATIN-AMERICAN NATIONS IN BRAZIL.

FOREIGN MINISTER RECARDO J.ALFARO RESIGNED LAST NIGHT BECAUSE OF HIS OPPOSITION TO THE AGREEMENT. THE PACT GOES TO THE NATIONAL ASSEM BLY FRIDAY FOR FINAL APPROVAL. (NO PICKUP).

RW235PES

HAVANA, DEC 10-(AP)-HARRIED DELEGATIONS TO THE HAVANA TRADE CONFERENCE TACKLED TODAY A STACK OF 400 AMENDMENTS TO THE DRAFT CHA OF THE PROPOSED INTERNATIONAL TRADE ORGANIZATION.

LATIN AMERICAN DELEGATION CHIEFS MET TO DETERMINE WHAT COURSE THEY SHOULD TAKE IF THEIR DEMANDS FOR SPECIAL TREATMENT OF INDUSTRIALLY UNDERDEVELOPED NATIONS WENT BY THE BOARDS.

THE U.S. DELEGATION WAS CALLED INTO CONFERENCE TO DECIDE WHAT AMENDMENTS IT COULD ACCEPT AND WHAT ONES IT CONSIDERED WOULD MAKE THE RESULTING CHARTER UNACCEPTABLE.

WILLIAM L. CLAYTON, DELEGATION CHIEF, IS EXPECTED BACK FROM WASHINGTON FRIDAY. HE HAS BEEN CONFERRING WITH OFFICIALS THERE ON THE WORK OF THIS CONFERENCE AND ON THE MARSHALL PLAN.

ALL SCHEDULED COMMITTEE MEETINGS WERE CALLED OFF SO THAT DELEGATES COULD STUDY THE UNEXPECTED FLOOD OF SUGGESTED CHANGES.

THE GENERAL, OR STEERING, COMMITTEE IS EXPECTED TO MEET THIS WEEKEND TO SEE IF A SHORT CUT IS FEASIBLE, TO DISPOSE OF THE AVALANCHE WITHOUT PROLONGED DISCUSSION OF EACH.

ON THAT DECISION MAY DEPEND THE PARLEY'S FATE, SINCE DEBATE ON 400 AMENDMENTS COULD, IN ONE DELEGATE'S OPINION, "TAKE THE CONFERENCE TILL CHRISTMAS OF 1948."

THE CUBAN DELEGATION DENIED THAT A LATIN AMERICAN MEETING MEANT THE FORMING OF A BLOC, BUT SAID IT MERELY SOUGHT TO SPEED THE CONFERENCE'S WORK.

M618AES

DEC 1947

HAVANA, DEC 10-(AP)-THE UNITED STATES DELEGATION DOUBTS THE PROBABILITY OF SUCCESS OF THE HAVANA TRADE CONFERENCE--IF:

1. OTHER DELEGATIONS INSIST ON ENDLESS DEBATE ON EACH OF THE APPROXIMATELY 400 AMENDMENTS SUBMITTED TO THE CHARTER DRAFT FOR THE PROPOSED INTERNATIONAL TRADE ORGANIZATION.

2. IF ANY OF CERTAIN KEY "OBJECTIONABLE" AMENDMENTS SHOULD BE ADOPTED--THOSE WHICH TAMPER WITH PRESENT CHARTER RESTRICTIONS ON IMPORT-EXPORT QUOTAS OR STATE TRADING ORGANIZATIONS.

THE FLOOD OF AMENDMENTS WORRIES THE U.S. DELEGATION, THE DADDY OF THE STILL UNBORN ITO--BUT BY THEIR QUANTITY RATHER THAN THEIR SUBSTANCE.

SOME ARE REGARDED AS TRIVIAL, OTHERS AS UNFEASIBLE, AND MOST AS OFFERING NOTHING THAT HAS NOT ALREADY BEEN DEBATED AND COMPROMISED AT THE CONFERENCES IN LONDON AND GENEVA WHICH SHAPED THE CHARTER DRAFT.

THEIR QUANTITY IS REGARDED BY A SOURCE CLOSE TO THE U.S. DELEGATION AS MAKING THE HAVANA CONFERENCE UNMANAGEABLE, AND THE ADJOURNMENT TIME LIMIT OF JAN.15 IMPOSSIBLE UNLESS THE STEERING COMMITTEE FINDS A WAY TO DIPOSE OF THEM.

THERE ARE, HOWEVER, SOME POINTS ON WHICH THE CONFERENCE MUST ACT, AND HERE IS AN AUTHORITATIVE VIEW OF THE U.S. DELEGATION'S PREFERENCES:

1. TREATMENT OF NON-MEMBERS.

THE UNITED STATES PREFERS A STRONG ITO WITH A STIFF NON-MEMBERSHIP CLAUSE, DENYING NON-MEMBER NATIONS THE TARIFF BENEFITS MEMBERS RECEIVE.

ADMITTEDLY, THIS WILL DISCOURAGE ADHERENCE OF NATIONS WITHIN THE

DEC 1947

RUSSIAN ORBIT, BUT THE UNITED STATES PREFERS, THE SOURCE SAID, "TO MAKE THE ITO CHARTER RIGHT, AND TO LET OTHERS DECIDE IF THEY WANT TO COME IN OR STAY OUT."

DEC 1947

2. FOREIGN INVESTMENTS.

THE UNITED STATES PREFERS GENERALIZED CHARTER REGULATIONS, WITH COMMITMENTS THAT MEMBERS MUST ENTER INTO NEGOTIATIONS LOOKING TOWARD FURNIHING SCURITY FOR EXISTING

FURNISHING SECURITY FOR EXISTING AND FUTURE INVESTMENTS.

UNCLE SAM BELIEVES HE CAN DO BETTER FOR HIS INVESTORS THROUGH SEPARATE NEGOTIATIONS WITH EACH NATION.

3. PREFERENTIAL TREATIES.

IN PRINCIPLE, THE UNITED STATES WANTS NEGOTIATIONS LOOKING TOWARD THEIR REDUCTION AND EVENTUAL ELIMINATION. IT INCLUDES ITS OWN IN THAT.

IN THE MEANTIME, IT DOES NOT WANT NEW ONES MADE, BUT DOES NOT OBJECT TO THE ITO CHARTER PROVISIONS FOR CUSTOMS UNIONS, AND FOR SETTING UP NEW PREFERENTIAL TRADING SYSTEMS IF APPROVED BY A TWO-THIRDS MAJORITY OF THE ITO GOVERNING BODY.

4. VOTING RIGHTS.

THE UNITED STATES PREFERS TO DELAY ITS DECISION ON THE QUESTION WHETHER TO ALLOW EACH MEMBER NATION ONE VOTE OR TO GRANT MEMBERS VOTES IN PROPORTION TO THEIR ECONOMIC STATUS.

IT WANTS TO WAIT UNTIL THE VERY END OF THE CONFERENCE--"TO LOOK AT THE CHARTER AS FINALLY DRAWN AND THEN DECIDE WHAT WE WILL NEED IN THE WAY OF VOTING STRENGTH."

WHEN WILL THE CONFERENCE END?

WELL, THE U.S. DELEGATION HAS A GOOD IDEA OF HOW IT COULD END IT FAST--BUT BY A WAY IT WILL NOT TAKE.

IT POINTS TO ONE AMENDMENT BY CHILE WHICH U.S. OBSERVERS INTERPRET AS PROVIDING THAT ANY MEMBER WITH MONEY IN HAND AND INDUSTRIALIZED RESOURCES ALREADY DEVELOPED SHALL ADVANCE THE CASH ANY "HAVE-NOT" MEMBER DEMANDS FOR DEVELOPING ITS INDUSTRIES.

SINCE UNCLE SAM FITS THE DESCRIPTION OF THE PARTY OF THE FIRST PART, THE U.S. DELEGATION FEELS THAT "IF WE WOULD ACCEPT THAT BLANK CHECK AMENDMENT TODAY, ALL THE OTHER PROPOSALS WOULD FADE AWAY AND THE CONFERENCE WOULD BE OVER THIS WEEK."

BUT DON'T WORRY, IT ADDS, UNCLE SAM HAS NO INTENTION OF SIGNING A BLANK CHECK.

HOWEVER, IF THE HAVANA CONFERENCE IS TO BE DRAGGED OUT BY OBSTRUCTIONS AND OTHER-ZEALOUS PUSHING OF "UNFEASIBLE AMENDMENTS," THE U.S. DELEGATION MAY GET WEARY AND GO HOME.

DEC 1947

M416AES

(360)(ADVANCE FOR USE AT 4 P.M.EST,TODAY,WEDNESDAY,DEC.10)

(ADVANCE) WASHINGTON,DEC.10-(AP)-THE STATE DEPARTMENT ANNOUNCED TODAY THAT THE UNITED STATES AND PANAMA HAVE SIGNED AN AGREEMENT FOR LEASING AN AIR BASE AND 13 DEFENSE SITES TO THE U.S. TO BE USED FOR DEFENSE OF THE PANAMA CANAL.

THE JOINT ANNOUNCEMENT WITH PANAMA SAID THE AGREEMENT CALLS FOR FIVE YEAR LEASES ON 13 DEFENSE SITES IN PANAMA AND A 10-YEAR LEASE WITH AN

DEC 1947 30.24-14155

OPTION FOR 10 MORE ON THE HUGE B-29 AIR BASE AT RIO HATA, ABOUT 70 MILES WEST OF PANAMA CITY.

THE AGREEMENT, UNDER NEGOTIATION FOR 16 MONTHS, IS SUBJECT TO APPROVAL BY THE PANAMA NATIONAL ASSEMBLY, WHICH IS SCHEDULED TO MEET FRIDAY. STATE DEPARTMENT OFFICIALS SAID THAT WHETHER THE AGREEMENT REQUIRES U.S.SENATE CONFIRMATION IS YET TO BE DECIDED.

RICARDO J.ALFARO, PANAMA'S FOREIGN MINISTER, RESIGNED YESTERDAY IN PROTEST AGAINST TERMS OF THE AGREEMENT, SAYING U.S.REQUESTS FOR RIO HATA, MAJOR BASE FOR LONG-RANGE BOMBERS, WERE "UNJUSTIFIED."

THE 13 SITES, ON WHICH FIVE-YEAR LEASES ARE PROVIDED, INCLUDE FIGHTER STRIPS AND INSTALLATIONS FOR RADAR AND OTHER NAVIGATION AIDS.

THESE AND THE RIO HATA BASE ARE IN ADDITION TO U.S.ARMY AND OTHER MILITARY BASES WITHIN THE 10-MILE WIDE PANAMA CANAL ZONE THROUGH WHICH THE INTERNATIONAL WATERWAY IS ROUTED.

THE AGREEMENT WAS SIGNED TODAY BY BRIG.GENERAL FRANK T.HINES, AMBASSADOR TO PANAMA, AND BY THE PANAMANIAN ACTING FOREIGN MINISTER, FRANCISCO A.FILOS. AN OFFICIAL ANNOUNCEMENT SAID IT "EXEMPLIFIES AND CONTINUES THE SPIRIT OF COOPERATION EVIDENCED BY PANAMA" IN THE WARTIME ACCORD OF MAY 18,1942. THE STATE DEPARTMENT SAID IT TAKES INTO ACCOUNT "CURRENT AND FUTURE SECURITY REQUIREMENTS" OF THE CANAL.

"IT GIVES RECOGNITION TO THE FACT THAT REQUIREMENTS OF MODERN DEFENSE MAKE ESSENTIAL THE USE OF CERTAIN AREAS OUTSIDE THE 10-MILE WIDE CANAL ZONE FOR THE PROTECTION OF THE INTERNATIONAL WATERWAY WHICH IS SO VITAL TO THE INTERESTS OF THE UNITED STATES AND PANAMA," THE STATE DEPARTMENT ADDED.

IN A 1936 TREATY, THE PANAMA REPUBLIC AGREED TO COOPERATE TO INSURE CONTINUOUS OPERATION AND EFFECTIVE PROTECTION OF THE CANAL, THE DEPARTMENT NOTED.

DEC 1947

THE NEW AGREEMENT CALLS FOR APPOINTMENT OF REPRESENTATIVES BY THE TWO GOVERNMENTS TO ADMINISTER IT. UNDER ITS TERMS THE U.S.ASSUMES RESPONSIBILITY FOR ALL TECHNICAL, MILITARY AND ECONOMIC MATTERS CONNECTED WITH THE DEFENSE SITES.

(END ADVANCE FOR USE AT 4 P.M.EST,TODAY,WEDNESDAY,DEC.10)

FR223PES

WASHINGTON, DEC 10-(AP)-AN ANNOUNCEMENT THAT GEN. DWIGHT D.EISENHOWER WILL TAKE OVER THE PRESIDENCY OF COLUMBIA UNIVERSITY JUNE 7 TOUCHED OFF SPECULATION TODAY THAT HE MAY SPEND PART OF THE INTERVENING MONTHS LOOKING OVER HIS PRESIDENTIAL POSSIBILITIES.

POLITICIANS HERE EXPECT HIM TO SURRENDER HIS ARMY CHIEF OF STAFF'S DUTIES TO GEN. OMAR BRADLEY ABOUT FEB. 1, ALTHOUGH ARMY OFFICIALS SAID IT MIGHT BE CLOSER TO MARCH 1. IN ANY EVENT, HE IS EXPECTED TO TAKE A 60-DAY VACATION BEFORE GOING TO COLUMBIA.

THIS WOULD GIVE HIM TIME, IF HE DESIRES, TO MAKE UP HIS MIND WHETHER TO GO ALONG WITH THE "EISENHOWER-FOR-PRESIDENT" MOVEMENT. SOME OF HIS FRIENDS HAVE BEEN URGING HIM TO SEEK THE REPUBLICAN PRESIDENTIAL NOMINATION AND THIS DRIVE HAS TAKEN FORMAL SHAPE UNDER THE NATIONAL DRAFT EISENHOWER LEAGUE.

WHILE EISENHOWER HAS SAID HE DOESN'T WANT ANYTHING TO DO WITH

POLITICS, HE APPEARED AT AN INFORMAL MEETING OF PENNSYLVANIA REPUBLICAN LEADERS LAST WEEK. SOME OF THOSE PRESENT SAID THEY GOT THE IDEA THAT HE "WAS TALKING A WHOLE LOT LIKE A CANDIDATE."

FREDERICK COYKENDALL, CHAIRMAN OF COLUMBIA UNIVERSITY'S BOARD OF TRUSTEES, ANNOUNCED YESTERDAY IN NEW YORK THE DATE EISENHOWER INTENDS TO ASSUME HIS DUTIES ON MORNINGSIDE HEIGHTS. HE SAID EISENHOWER WILL GO TO NEW YORK ABOUT MAY 1, HOWEVER, TO ESTABLISH HIS RESIDENCE THERE.

DEC 1947

BRADLEY, WHO RELINQUISHED THE POST OF VETERANS ADMINISTRATOR WHEN HE GOT THE CHIEF OF STAFF ASSIGNMENT LAST MONTH, IS CURRENTLY MAKING AN INSPECTION OF ARMY FACILITIES. EISENHOWER PROBABLY WILL STAY ON BRIEFLY AT THE PENTAGON TO HELP OUT BEFORE BRADLEY OFFICIALLY TAKES OVER.

EVEN THEN, EISENHOWER WOULD HAVE PLENTY OF TIME TO WEIGH HIS PRESIDENTIAL CHANCES BEFORE THE REPUBLICAN CONVENTION LATE IN JUNE.

SU1053AES

NEW YORK, DEC. 10-(AP)-ARNOLD JOHNSON, LEGISLATIVE DIRECTOR OF THE COMMUNIST PARTY, HAS BEEN REFUSED PERMISSION TO SPEAK ON "AMERICAN COMMUNISTS AND THE WORLD CRISIS" AT A MEETING ON THE COLLEGE OF THE CITY OF NEW YORK'S CAMPUS, THE SCHOOL'S DEAN SAID YESTERDAY.

JOHNSON WAS SCHEDULED TO ADDRESS AN OPEN MEETING OF THE COLLEGE'S MARXIST CULTURAL SOCIETY TOMORROW.

DR. JOHN J. THEOBOLD, DEAN OF ADMINISTRATION AND ASSISTANT TO THE PRESIDENT, SAID THE BAN WAS IMPOSED AS THE RESULT OF ATTORNEY GENERAL CLARK'S RECENT LISTING OF THE COMMUNIST PARTY AS "SUBVERSIVE."

PROF. YERVANT H. KRIKORIAN, CHAIRMAN OF THE PHILOSOPHY DEPARTMENT AND FACULTY ADVISER TO THE MARXIST CULTURAL SOCIETY, CALLED THE ACTION A "BREACH OF DEMOCRACY." PROF. SAMUEL JOSEPH, FORMER CHAIRMAN OF THE SOCIOLOGY DEPARTMENT, CONTENDED COMMUNISTS SHOULD NOT BE PREVENTED FROM SPEAKING BEFORE ANY EDUCATIONAL GROUP "UNTIL THE COMMUNIST PARTY IS DISBARRED AS AN ILLEGAL ORGANIZATION BY THE PROPER AUTHORITIES."

TU928AES

LAKE SUCCESS, DEC. 10-(AP)-A TRAVEL SCHEDULE COMPLETED TODAY FOR THE UNITED NATIONS ASSEMBLY'S KOREAN INDEPENDENCE COMMISSION PROVIDES FOR STOP-OVERS IN SAN FRANCISCO, HAWAII AND TOKYO BEFORE THE GROUP REACHES SEOUL JAN. 8 IN ITS CHARTERED PLANE.

DEC 1947

THE COMMISSIONERS FROM EIGHT NATIONS NAMED TO THE GROUP BY THE ASSEMBLY AND A SECRETARIAT PARTY OF 20 TO 25 HEADED BY ASSISTANT SECRETARY GENERAL VICTOR HOO OF CHINA WAS SCHEDULED TO LEAVE NEW YORK JAN. 2.

THEY WILL SPEND THE NIGHT OF JAN. 6-7 (EASTERN STANDARD TIME) IN JAPAN.

THE U.N. SECRETARIAT ANNOUNCED THE EMPLOYMENT OF ALBERT GRAND OF FRANCE AS PRESS OFFICER GOING WITH THE KOREAN COMMISSION.

HJ1150PES

LAKE SUCCESS, DEC 10-(AP)-DR.FADHIL JAMALI, FOREIGN MINISTER OF IRAQ, SAID TODAY THAT THE FIGHT OF THE MOSCLEM WORLD AGAINST PARTITIONING OF PALESTINE WOULD BEGIN IN FULL FORCE AS SOON AS THE BRITISH PULL OUT OF THE HOLY LAND.

COMMENTING ON THE ACTION OF THE UNITED NATIONS SECURITY COUNCIL IN REFUSING ARAB REQUESTS FOR FULL DEBATE ON THE ISSUE NOW, DR.JAMALI TOLD AN INTERVIEWER:

DEC 1947

"REGARDLESS OF WHAT DELEGATES SAY NOW, THE ISSUE IS BOUND TO COME UP IN THE SECURITY COUNCIL WHEN THE GENERAL STRUGGLE BEGINS.

"PLANS ARE BEING MADE OVER THERE NOW FOR THE FIGHT. IT WILL BEGIN IN FULL FORCE WHEN THE BRITISH END THEIR MANDATE AND BEGIN PULLING TROOPS OUT OF PALESTINE."

DR.JAMALI SAID HE WAS LEAVING FOR IRAQ TOMORROW, BUT WOULD BE READY TO RETURN TO THE U. N. AT ANY MOMENT IF "THE INTERESTS OF THE ARAB WORLD" DEMAND HIS PRESENCE HERE.

HE INDICATED THE ARABS HAD NO IMMEDIATE PLANS TO RENEW THEIR EFFORTS TO FORCE COUNCIL DEBATE AGAIN AND SAID THAT "OTHER DELEGATES MAY FIND IT NECESSARY IN TIME TO INITIATE DISCUSSIONS."

DR.JAMALI WAS A SPECTATOR AT YESTERDAY'S COUNCIL MEETING--THE FIRST SINCE NOV.22--AT WHICH THE UNITED STATES AND RUSSIA TEAMED UP TO LEAD THE SUCCESSFUL DRIVE AGAINST THE SYRIAN DEMAND FOR "FREE DEBATE" ON PALESTINE AT THIS STAGE.

U.S. DELEGATE HERSCHEL V.JOHNSON CAUTIONED DELEGATES THAT HIS GOVERNMENT FELT IT WOULD BE "EXTREMELY UNWISE" TO DISCUSS PALESTINE NOW IN VIEW OF EVENTS IN THE MIDDLE EAST, WHERE VIOLENCE FOLLOWED THE ASSEMBLY'S NOV.29 DECISION TO SPLIT THE HOLY LAND INTO INDEPENDENT JEWISH AND ARAB NATIONS BY NEXT OCT. 1.

FARIS EL KHOURY, WHITE-HAIRED SYRIAN DELEGATE, LED THE FIGHT IN THE COUNCIL TO OPEN DEBATE, BUT THE BEST HE COULD SALVAGE FROM HIS EFFORTS WAS AN AGREEMENT TO GIVE NON-VOTING COUNCIL SEATS TO EGYPT AND LEBANON, TWO OTHER MEMBERS OF THE ARAB LEAGUE, WHEN THE DISCUSSIONS DO TAKE PLACE.

THE COUNCIL ACTION LEAVES THE PALESTINE ISSUE DORMANT ON ITS CALENDAR, ALONG WITH A LONG LIST OF OTHER SUBJECTS. THE COUNCIL HAS NO NEW ITEMS AND NO TIME WAS SET FOR THE NEXT MEETING.

(EDITORS--THE ABOVE WILL STAND AS A SITUATIONER).

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DEC 1947

End December 10, 1947

30.24- 14157

BIG FOUR AGREE ON REICH LEVEL FOR INDUSTRY

11,500,000 Ingot Tons of Steel Conditionally Set for All Germany.

MOLOTOV DELAYS SHOWDOWN

Forestalls Reparations Debate by Having Other Matters Put Ahead of It

DEC 1947

London, Dec. 11 (A. P.).—The Four-Power Council of Foreign Ministers agreed unconditionally today to set the level of industry for a united Germany at 11,500,000 ingot tons of steel production a year, British and American officials reported.

The present level of steel production in the economically merged British and American zones is 10,700,000 tons. The level previously agreed upon in March, 1946, for all Germany, was 5,800,000 tons.

Steel production is the standard against which other German production is fixed. The wartime level has been estimated at about 23,000,000 to 26,000,000 tons.

Showdown Is Delayed.

Soviet Foreign Minister Molotov apparently delayed a showdown on reparations sought yesterday by United States Secretary of State Marshall. The ministers passed over reparations questions to other economic matters.

Molotov, the briefing officials said, won approval for a proposal that the Big Four, after finishing one more paragraph of a British paper on German unity, take up a Soviet paper dealing with creation of central agencies, four-power control of the Ruhr and the voiding of United States and British zone agreements in the west. Reparations will be brought up only after these subjects have been discussed.

Earlier, Molotov had been expected to give his reply today to the American stand that Russia halt her removal of reparations from eastern Germany.

Molotov was also expected, according to authorative Government sources, to give his reaction to reports that the United States and Britain have reached a tentative agreement revising last year's pact for economic fusion of the American and British zones of Germany so as to give the United States control over economic and financial policies.

New Line Expected

British informants said the new arrangements, effective January 1, would probably "open the way for a new line of attack" on the western powers' policy in Germany.

The informants declared that economic and financial control in the merged zones would be in direct proportion to each country's contribution to a common budget. This would mean that the United States would assume virtually complete economic and financial control over the two areas, as American negotiators have agreed to take over all of Britain's dollar commitments, the informants said.

In the bluntest language he yet used during the conference, Secretary of State George C. Marshall yesterday accused Russia of extracting German assets at the rate of $500,000,000 a year while the United States and Britain have been pouring in $700,000,000 to keep Germany alive.

Sets Deadline

Marshall declared that the withdrawals must cease by January 1. He called upon his Council colleagues to make that decision at once. It was apparent that this time the American secretary would be satisfied with nothing short of a yes-or-no answer.

In a formal statement, Marshall asserted that "if we cannot take this economic decision which is of immediate vital significance then we are wasting our time when there is no time to waste."

Molotov sidestepped a direct answer yesterday while the Council was discussing the principles of Germany's economic unity, saying that the arguments would only have to be repeated when the Council reached the problem of deciding upon what to do about reparations.

That point had been reached today.

Calls It "Unfounded"

But even in advance of his formal answer Molotov told Marshall that the American Secretary's assertion that the bill for reparations would fall upon United States taxpayers was "unfounded and I am prepared to prove it."

Thus far Molotov has shown no sign of backing down on Russia's demand for $10,000,000,000 in reparations from Germany, nor any inclination to yield in his insistence that this must start in the form of returns from current production.

Technically, at least, the Council held to its decision to complete discussion of issues involving Germany's economic unification before tackling the agenda item of reparations.

But with that dispute clouding the future there have been few decisions on such vital questions as wiping out zonal boundaries, sharing expenses, pooling resources, repaying advances to Germany and settling fiscal problems.

The British Government was reported to be "considering" an application received last night from a group of Germans for visas to come to London to present their views to the Foreign Ministers.

Government sources said, however, that it was "very unlikely" that visas would be granted to the group, who represent the "German People's Congress for Unity" which met in Berlin last week under the sponsorship of the Communist-dominated Socialist Unity party.

BIG FOUR AGREE ON STEEL OUTPUT

Decision Means New, High Ceiling of Industry for Germany.

LONDON, Dec. 11 — (AP) The foreign affairs ministers conference agreed conditionally tonight on a new and higher ceiling of industry for Germany subject to eventual accord on economic unification and adequate security guarantees.

The ministers fixed the ceiling at 11,500,000 ingot tons of steel production a year, conference sources said. In so doing they acceded to a demand from French Foreign Minister Georges Bidault that a definite figure be established.

The other powers had proposed placing the level at between 10,000,000 and 12,000,000 tons.

Steel Sets Standard

The present level of steel production in the economically merged British and American zones is 10,700,000 tons. The level previously agreed upon in March, 1946, for all Germany, was 5,800,000 tons. The wartime level has been estimated at about 23,000,000 to 26,000,000 tons. Steel production is the standard against which other German production is fixed.

The informants said Bidault made it clear France would agree to the new German industrial ceiling on two main conditions: That the Ruhr be placed under special international economic control, and that the allies conclude a pact to prevent German rearmament.

France also insisted on a provision whereby definite percentages of German coal, coke and power production would be earmarked for export to Germany's neighbors. This was adopted by the ministers with the percentage figure left open, briefing officers said.

British Get Russ Grain Under Pending Accord

London, Dec. 11 (AP)—Britain will receive "a substantial quantity" of Russian grain under terms of a trade agreement announced today by J. Harold Wilson, president of the Board of Trade.

Newspapers speculated that this might mean the end of bread rationing for Britons.

Wilson, back from talks at Moscow, told the House of Commons that the agreements "includes quantities, prices and detailed terms and conditions for the shipment to Britain of a substantial quantity of coarse grain out of the 1947 Russian harvest."

The House cheered his announcement.

Agreed On War Loan

Questioned by the deputy Conservative leader, Anthony Eden, Wilson said agreement in principle had been reached on the question of a loan Russia obtained from Britain during the war, and a later communiqué would give details.

Soviet demands for revision of the loan agreement contributed to failure of trade talks earlier this year.

Wilson said Russia's price for grain was "very fair and favorable, indeed," in relation to world prices. He added that it would be available for shipment from Black Sea ports within two or three weeks after signing of the accord.

Further Talks Next May

Wilson, who reported earlier to Prime Minister Attlee, said "next May there will be further discussions to prepare long-term arrangements over a wider range of goods, providing a balance trade program between the two countries."

He said there was "No question of payment by either side in hard or scarce currency."

Left-wing members of Parliament long have advocated closer trade ties with Eastern Europe as a means of combatting the dollar shortage which limits British food purchases in the Western Hemisphere.

Russia To Get Goods

"Our aim," Wilson said, "was to secure a long term balance in trade and financial transactions between the two countries."

He said the United Kingdom had agreed to the immediate supply of certain goods to Russia, and "provision was made for the Soviet Union's purchasing organizations to enter into contracts with the appropriate British firms for the supply of engineering equipment."

Tass, the Soviet news agency, reported earlier today that agreement had been reached on all main points.

British experts in Moscow will work out the details of the pact under the direction of Sir Maurice Peterson, Britain's ambassador to the U.S.S.R.

Wheat and timber are the principal commodities Britain seeks from the Soviet Union, while the Russians want steel rails, machinery, electric generating equipment and other heavy goods from the British.

Left-wing members of Parliament long have advocated closer trade ties with Russia and eastern Europe.

Reporting on his five-day trip to Russia, Wilson said "before I left Moscow yesterday we had reached agreement in principle of the whole range of subjects covered."

Grain For Machinery

He added that the talks were in a "friendly atmosphere" and would result in Britain's receiving a "substantial quantity" of Russian grain in exchange for British machinery. The Russians are reported interested mainly in industrial machines and equipment for their mining and timber industries.

Bread rationing was instituted several months ago when Britain found it necessary to cut down on wheat imports from the United States and other dollar countries in order to conserve her supply of dollars. The trade for wheat will take no dollars.

Wilson said there would be further discussions with Russia next May "to prepare long-term arrangements over a wider range of goods providing for a balanced trade program between the two countries."

Russ Grain Prospects In Britain

London, Dec. 11 (AP)—An authoritative Government source said tonight Great Britain would get more than half a million tons of oats, corn and barley—but no wheat—from Russia's 1947 harvest under a British-Soviet trade pact on which agreement in principle was announced in the House of Commons today.

The announcement in Commons, made by J. Harold Wilson, president of the Board of Trade, was cheered. The British press had said the pact might mean the end of bread rationing in Britain.

To Discuss Wheat In May

The Government source said, however, that this country had not asked for wheat under the short-term agreement. He said wheat would be discussed" in talks scheduled for next May on a projected long-term trade pact.

He said the coarse grains would be used for poultry and livestock feed and that the first shipments were expected in February at the latest.

BRITON ASSAILS U.N. DECISION

Commons Told Enforcement Provision Is Inadequate

London, Dec. 11 (AP) — Arthur Creech Jones, Colonial Secretary, criticized the United Nations decision on Palestine today as making "little provision for enforcement" of partition into Jewish and Arab states.

Opening a two-day debate on the Holy Land in the House of Commons, Creech Jones said it was a "tragic fact that no solution of the conflicting interests of the Jews and Arabs was possible" at the recently concluded United Nations General Assembly sessions in New York.

"It is disturbing," he said, "that the Palestine commission will go to its task with inadequate support for its decisions."

Appeals To Zionists

He appealed to Zionists to curb "illegal" immigration to Palestine until Britain gives up her Holy Land mandate to the United Nations commission, probably May 15.

Declaring Britain accepts the partition plan "as the decision of the court of international opinion," Creech Jones said the Labor Government intends to give up the 26-year-old mandate "sometime in advance" of the final withdrawal of British troops on August 1 and added:

"The date we have in mind subject to negotiations with the United Nations is May 15."

Calls For Final Date

Oliver Stanley, a conservative and former Colonial Secretary, criticized Creech Jones for not arbitrarily fixing a "final date" for surrender of the mandate instead of negotiating with the United Nations.

"Unless that is done," he added, "we will find ourselves still holding on tenuously to this authority for months and, it may be, years ahead."

Creech Jones said Britain would be responsible only for maintaining order in her own troop concentration areas after she gives up the mandate and expressed the hope that "moderation and tolerance" would prevail among the Jews and Arabs.

Face "Most Difficult Period"

Declaring the "illegal traffic" in Jewish immigration had fanned a "fierce feeling" among the Arabs, he said:

"We are faced with a most difficult period between now and the middle of May and we hope all nations and the Jewish community will appreciate the importance of control until the mandate is laid down.

"If the traffic increases in the next few months a grave situation in Palestine may arise, which will make orderly withdrawal extremely difficult."

The Colonial Secretary did not say whether Britain intended to retain the present limitation of 1,500 immigrants monthly or whether the estimated 16,000 "illegal" immigrants to be transferred from Cyprus camps would enter Palestine under the quota system.

Commons Is Told Partition Plan Lacks Teeth

DEC 1947

London, Dec. 11 (AP)—Colonial Secretary Arthur Creech Jones told the House of Commons today "it is disturbing that the (United Nations) Palestine Commission will go to its task with inadequate support for its decisions."

He said "little provision for enforcement" of the partition plan was made by the United Nations General Assembly.

"It is a tragic fact that no solution of the conflicting interests of the Jews and the Arabs was possible at Lake Success," Creech Jones said at the outset of a two-day House of Commons debate on the Holy Land.

But he added: "The decision of the Assembly is regarded by the Government as the decision of the court of international opinion. This is not a grudging acceptance."

The Colonial Secretary repeated that it was Britain's intention to withdraw her troops from Palestine by August, 1948, and that the date for relinquishing her League of Nations mandate over the Holy Land is tentatively set for May 15, subject to negotiations with the United Nations.

ON WARMONGER LIST

London, Dec. 11 (A. P.).—The Moscow radio broadcast today a statement by a Soviet film producer declaring the American motion picture industry was "supporting the warmongers" and appealing to Hollywood to devote itself to preserving peace.

The English-language broadcast quoted the film producer, Sergei Eisenstein, as saying: "Can one remain an artist and not be impelled to arrest the hand which is sowing death? We all know only too well what war means, and yet fresh voices are calling every day for another carnage.

"We ask the producers, scenario writers and actors of Hollywood in the name of millions of plain, honest people through the world to struggle against the new menace of Fascism, against the warmongers; we ask them to work for peace and collaboration among nations, for cultural fraternity and for the happiness of mankind."

DEC 1947

Every Briton to Receive Civil Defense Training

LONDON, Dec. 11 (AP).—Every adult child in Great Britain will be trained for self-protection against air attack in the atomic age under a government plan to reorganize the Civil Defense Service. A highly mobile full-time force will be available at short notice for duty in any part of the country to augment civilian groups.

The new Civil Defense Service was disclosed today in a Home Office memorandum, which said: "After a major attack on a large center of population, the task of civil defense will be so onerous that every able-bodied man and woman will be required to make some contribution to the measures of relief and restoration."

A White Paper said 1,027,000 of the 56,000,000 acres of land in Britain will be retained for use by the Navy, Army and Royal Air Force and for military research and training. More than half of the area will be used for rifle ranges, battle training grounds, tank maneuvers and army camps. The remaining acreage will be permanent sites for airfields, barracks, stores, gun emplacements and radar establishments.

Austrian Wine Gift Reminder To The Big 4

London, Dec. 11 (AP)—Austrian Foreign Minister Karl Gruber sent several bottles of Austrian wine today to each of the four members of the Foreign Ministers Council, which is considering a peace treaty for his country, and inclosed this note:

"This little gift from Austrian soil, besides providing you with some enjoyment, may remind you that Austria is still waiting for the conclusion of the treaty."

Paris Suspends Mission Chief

DEC 1947

Paris, Dec. 11 (AP)—The Government today suspended Lieut. Col. Raymond Marquie, Communist chief of the French repatriation mission at Moscow, and promised statements to the National Assembly tomorrow on his attack against his own Government.

The suspension was announced by Francois Mitterand, Minister of War Veterans, who said he had received a message on the case from the French *chargé d'affaires* at Moscow calling Marquie's attack "inadmissible."

Faces "Dismissal"

A member of Mitterand's staff said if the statements attributed to Marquie in Moscow are confirmed, the mission chief "will be dismissed and expelled from the army as soon as he gets back." Marquie was quoted as assailing his Government for a "malicious attitude" toward Russia. His statement grew out of France's and Russia's expulsion of each other's repatriation missions.

Marquie, identified as a Communist of long standing who wants to stay in Russia, was accused by the War Veterans Ministry of providing incorrect figures on repatriation of French citizens.

Mitterand and Andre Marie, Acting Foreign Minister, will make statements on the case tomorrow to the National Assembly and Mitterand will broadcast tomorrow night.

France, meanwhile, accused Russia of having used her repatriation camps here to send French citizens to the Soviet Union.

Shipped To Russia

A note handed Alexandre Abramov, Soviet chargé d'affaires, charged that 40 men and twenty women, French citizens, were assembled in the Soviet repatriation center at Beaureguard, near Paris, in September, 1946, and, "without the knowledge of French authorities," were shipped to Russia.

"Immediately after their arrival in Moscow, the French men and women in question asked the French Embassy for their immediate repatriation," the note said. "They have since returned to French territory."

A Foreign Ministry spokesman said there still were Frenchmen in Russia who were unable to obtain exit visas to return home, but he could not say whether these individuals had been channeled through the Beauregard camp.

Efforts To Remain

The Veterans Ministry said Marquie was appointed more than a year ago when Communist Laurent Casanova headed the Ministry. The War Ministry termed his rank "fictitious," saying that before the war he was a staff sergeant in reserve.

A spokesman at the Veterans Ministry said Marquie was making every effort to remain in the U.S.S.R. The Russian Government ordered expulsion of the mission in retaliation for similar French action against the Soviet repatriation mission in France.

Expulsion of the French mission was reported in a Soviet note which the French Government yesterday refused to accept because of its strong language and the fact it had been published before delivery.

The diplomatic dispute grew out of the Communist-propagated strikes in France which ended yesterday.

"Plotting" Charged

Marquie accused his Government of plotting for three months to evict the Russian mission from France and of systematically carrying out this plan. His statements were published here today in the Communist newspaper *L'Humanite*.

He told Russian and foreign reporters in Moscow that French charges against two officers of the Soviet repatriation commission were "without proof and false."

Marquie said his Government was entirely responsible for the "events of the last few days," during which the mutual expulsions were ordered and trade negotiations between the two nations broken off.

"None of these events can be blamed on the Soviet Government," he declared.

"Deliberately Abandoned"

Another member of the mission, Lieutenant Dumas, backed him up. He signed a statement saying the French mission had received every co-operation from Soviet authorities.

Marquie said statements that thousands of Frenchmen still remained in Russia were "lies and propaganda," and said the number still unrepatriated amounted only to "several tens." These, he said, are now being deliberately abandoned by the French Government.

By contrast, he continued, "several thousand Soviet citizens" remain in France while their return home "is being systematically hindered by French authorities."

Many Families Upset

Marquie, who is little known to the general public in France, described himself in Moscow as a French soldier who was taken prisoner by the Germans and who later escaped, and fought with the Partisans in Poland and the Ukraine against the Nazis.

DEC 1947

The apparent end of repatriation of Frenchmen from Russia upset many families in Alsace and Lorraine, where many men were drafted into the German armies. One veterans group of the Upper Rhine department sent telegrams of protest to French officials against the "abandonment of our children still kept as war prisoners" and demanded "continuation of repatriation beyond all political considerations."

It was learned that Colonel Marquie, who is 34, was appointed to his Moscow post at the request of Jacques Duclos, secretary of the Communist party in France and one of the foremost international exponents of the Communist line.

A foreman at the Rhone Poulenc Chemical Works, Marquie was called for compulsory military service in 1933 and mobilized in 1939. Made a prisoner when France fell, he was repatriated in July, 1943, because of sickness and worked in the underground resistance to Germans. He was sent to Moscow in August, 1945.

PARIS SAYS SOVIET TOOK 60 CITIZENS

Charges Removal Through Repatriation Camp

Paris, Dec. 11 (AP)—The French Government accused Russia tonight of using her repatriation camp in France to send French citizens to the Soviet Union.

At the same time the Government suspended Lieut. Col. Raymond Marquie, the chief of the French Repatriation Mission in Moscow, for "inadmissable declarations attacking his own Government's policy toward Russia. Aides at the Veterans Ministry said Marquie may be fired from the army and confined to barracks when he returns to France for his statement that the French Government had a "systematically malicious attitude" toward the U.S.S.R.

Called Communist

Aides at the ministry described Marquie as a Communist of long standing who received his appointment from a Communist Veterans Minister more than a year ago.

In a note handed the Soviet *chargé d'affaires*, Alexandre Abramov, the French Government declared 40 French women and twenty men were "assembled" in the Soviet repatriation camp at Beauregard in September, 1946, and shipped to Russia "without the knowledge of the French authorities."

The note said "after their arrival in Moscow the French men and women in question asked the French Embassy for their immediate repatriation. They have since returned to French territory."

DEC 1947 30.24- 14159

Raided November 1

A spokesman for the Foreign Ministry said there still were Frenchmen in Russia who had been unable to obtain exit visas to return to their homeland, but he said he did not know whether they were in Russia because of the operations of Camp Beauregard.

Camp Beauregard was raided by French police on November 14 and a woman, who was being sued for divorce by a naturalized Frenchman who did not want to return to Russia, and her three children were taken away. The children were returned to the father. The raid was one subject of a Soviet protest which the French Government yesterday handed back to the Russians on the grounds it was not acceptable.

Under Soviet Administration

The French note today said "the attention of French authorities had been drawn on numerous occasions to the presence at Beauregard of persons who, under the terms of the accord, should have never been permitted there."

It added that the camp was exclusively under Soviet administration, though this was contrary to terms of the repatriation agreement of 1945 between the two countries and contrary to Soviet practice toward French camps in Russia. Under the pact, the note said, the camp was exclusively for Soviet displaced persons.

Francois Mitterand, Veterans Minister, announced the suspension of Marquie, saying he had received from the French *chargé d'affaires* in Moscow a message that the Repatriation Mission chief's attack on his own Government was "inadmissable."

Charges Held False

Marquie declared in a statement read at a Moscow news conference yesterday that the expelling of each other's repatriation missions by France and Russia was not Russia's fault. He added that the French Government's charges of subversive activities against two members of the Soviet mission were "without proof and false."

"If those statements are confirmed," one aide in the Veterans Ministry said, "he will be dismissed and expelled from the army as soon as he gets back."

He added that Marquie did not want to return to France because he also would be subject to military penalties, such as confinement to barracks, before expulsion from the army.

Joined Underground

Spokesmen said Marquie, 34, was appointed to his post while Laurent Casanova, a Communist, was head of the Ministry. A foreman in a chemical factory in 1933 when he was called for military training, Marquie was mobilized in 1939 and made war prisoner when France fell in 1940. Officials said he was repatriated in 1943 because of illness and joined the underground resistance against the Germans.

Marquie said in Moscow that he had escaped from the Germans and fought with the Partisans in Poland and the Ukraine.

The twelve-man Russian mission engaged in supervising repatriation of Soviet citizens from France was expelled by the French Government Tuesday. Simultaneously Russia announced that she was asking the French mission of four members besides Marquie to leave Russia, and was terminating trade negotiations with France.

OFFICIALS ACT AS REDS BLOCK END OF STRIKE

Members of Three Armed Forces Summoned to Keep Order.

ITALIAN CAPITAL PARALYZED

Labor Group Charges Government With Using Fascist Tactics—Jeeps Keep Mobs Moving.

Rome, Dec. 11 (A. P.).—The Communist-controlled Chamber of Labor voted tonight to continue the general strike in Rome province, shortly after men of the three armed services moved into the paralyzed capital to keep order.

The labor group assailed the Government for using what it called "clearly Fascist methods" in trying to break the day-old strike, which had stopped all except essential services and railway traffic. A demand was voiced for the immediate release of arrested strikers, failing which, "energetic action" was threatened.

Dissenters Assailed.

The labor leaders called unsatisfactory the Government's latest proffer to their demands for broad winter unemployment relief in Rome and Rome province. Christian Democrat labor leaders, who voted against the strike last night and declared it political, were denounced as scabs.

With groups of strikers roaming the capital to force the closing of the few business establishments remaining open, the Government called out soldiers, sailors and air men to guard the troubled areas.

Police riot squads at countless places found difficulty controlling crowds, half in a holiday mood, half menacing. Many of the bands, made up largely of young persons, wore Communist party badges or colors. Dispersed at one point, they popped up promptly at another.

Arrest Armband Wearers.

Some eighty persons were arrested for displaying armbands reading "civil police."

A policeman was injured as squads removed barricades formed by trucks and motor cars in the Quarticciolo sector.

The Chamber of Labor, which called the strike in protest against unemployment, estimated that 500,000 workers were made idle.

Thousands milled in the streets of Rome. Shops, stores and restaurants were shut tight and transit facilities were idle.

Crowd Cheers Troops.

About 500 regular army troops took over guard duty in midtown Colonna Square. A crowd of several thousand persons there and at the "Five Corners" on Via Tritone were playing tag with jeeploads of police there for an hour or more, and cheered the troops. A Government spokesman said that the movement was a precautionary measure. Police riot squads, trying to keep the crowd moving, charged onlookers repeatedly with ten jeeps and two troop carriers. However, the crowd for the most part took this action in good humor. Its more daring members played tag with the jeeps.

Political Aim Charged.

Indications were that the strike lacked full public support. The Vatican's L'Osservatore Romano and the Christian Democrat section of the Chamber of Labor, which voted against the strike, both declared that the strike was motivated by politics. The Christian Syndicalist movement scattered leaflets saying that the workers had not been consulted and urging them to return to work because production "alone can solve the problem of labor and reconstruction." The Mutual Co-operative Union of Rome Province also declared that the strike was political and asked its members not to participate.

Many workers reported for duty and stood by, hoping that the strike would be called off before darkness.

Light, gas and water services continued uninterrupted, as did international telephone and telegraph services. Workers in those fields were exempted from the strike call, along with hospital workers, milk and food haulers. Food stores received permission to remain open until 1 P. M.

Precautions Taken.

The chamber said that it wanted a sweeping program of winter relief for the unemployed and a Christmas dole. The Rome committee of the Premier's party, the Christian Democrats, said that the strike was a political maneuver aimed at De Gasperi, who threw the leftists out of his Cabinet last May.

The government of Premier Alcide De Gasperi, under bitter attack from leftists, was said to have increased public works allotments to absorb the unemployed. The Chamber of Labor refused last night to agree to an allotment of about 11,000,000,000 lire (about $18,650,000) for public works, saying that it covered projects already aproved for the most part. The labor organization had demanded a special 10,000,000,000 lire allotment to give work to the estimated 80,000 unemployed in Rome province.

It was announced, meanwhile, that the end of the Rome strike would bring a strike of newspaper men in central and southern Italy. That walkout was called after publishers notified the journalists' union that they could not meet the 35 per cent wage increase promised to newspaper men in northern Italy.

20,000 Communist Partisans From North Reported Gathering In Capital

Rome, *Friday*, Dec. 12 (*AP*)—Hints that violence would begin soon and an unofficial police report that 20,000 Communist partisans from the north were gathering in Rome were heard early today as the capital and province's paralyzing general strike entered its second day.

Only a few disturbances were reported during the first 24 hours of the Leftist-led strike, the chief one occurring when ten riot-squad jeeps and two weapon carriers charged over curbs in the Piazza Colonna and dispersed a large crowd.

A well-informed source said Rome's public security forces had been bolstered by the addition of from 12,000 to 15,000, including detachments of the three military services and special riot police from Naples. The Interior Ministry would not comment on the report.

'Neo-Fascist' Moves Forecast

The Communist-controlled Chamber of Labor, which called the strike, said late last night it had received information that "neo-Fascist" groups would make an attempt today to break the strike. The chamber added ominously that it would not "be responsible for the consequences."

One unconfirmed report heard in Rome today was that about 120 half-ton trucks owned by private operators would run under police protection on six strike-bound bus routes later in the day.

Partisan headquarters and the Interior Ministry said they "knew nothing" of the unofficial police report that the Communist partisans were arriving—traveling in trains running on schedule.

Total Would Be 67,000

The reported, but unconfirmed, increase in the security forces would bring Rome's total police protection to about 67,000.

Day-long hopes of an early end of the strike, the first general walkout in Rome since pre-Fascist days, were terminated yesterday by the Chamber of Labor in a strongly worded communiqué which threatened "energetic methods of battle" if the Government did not release all arrested strikers.

The chamber voted to reject Government terms for winter unemployment relief in Rome and its province, decided to continue the walkout and assailed the Government for alleged "Fascist methods" in attempting to break the strike. Christian Democrat labor leaders who declared the strike had "political" purposes, were called "scabs."

Full Field Equipment

A battalion of regular army troops with full field equipment moved into Piazza Colonna when police, their patience wearing thin, began bucking their jeeps into crowds, which for the most part were good-humored but at times menacing.

Sailors were brought in to stand guard over the Navy Ministry, and air force personnel mounted a watch at Air Ministry installations.

Mounted police paraded through the center of the city and army armored vehicles toured the outskirts in a further demonstration of Government authority.

Despite great police activity and

Left Hints At Violence In Rome General Strike

DEC 1947

the operations of some roving squads of strikers who went about closing establishments which had failed to observe the strike call, there were few serious incidents reported.

A police officer was injured when police began removing a street barricade in the Quarticciolo section, and a youth who jeered police at the "five points" intersection of Via Tritone was clubbed into unconsciousness.

Police said 80 persons who appeared with unauthorized "civil police" armbands were arrested, and 50 or 60 other persons had been detained for attempting to blockade public buildings, obstructing traffic and forcing shops to close. The Chamber of Labor *Bulletin*, Rome's only newspaper continuing publication today except for Vatican City's *L'Osservatore Romano*, said 500 had been arrested.

Difficulty With Youths

At countless places police had difficulty with bands of youngsters, many wearing Communist badges and colors, who popped up at other points as soon as they were dispersed.

Ten riot-squad jeeps and two weapons carriers loaded with carbine-armed police repeatedly charged over the curbs at crowds in the Piazzo Colonna, roughrider fashion, sending spectators tumbling over one another. A few were reported to have suffered scratches and bruises.

Communist leaders began to take a serious view of the situation, and Gian Carlo Paietta, Communist deputy from Milan, remonstrated with police.

Riot Squads Withdraw

The Government then said it had hints there might be "trouble later" and called twelve truckloads of troops to the scene. The police riot squads withdrew to side streets.

Later yesterday, a crowd which had collected before the conservative newspaper *Il Messaggero* was dispersed by a police charge of two police jeeps. Other crowds of strikers closed a movie house and a restaurant.

The Government's latest terms for ending the strike were not disclosed, but officials said they represented an increase over the offer last night of a public works appropriation for the Rome area to absorb unemployed. The Labor Chamber estimates unemployed at 80,000.

Increased To 14,000,000,000

The chamber had originally demanded a 10,000,000,000 lire ($18,650,000) public works program, and the Government had offered 11,000,000,000 lire. The chamber said this offer was inadequate because it included projects already approved, and upped its demands to 14,000,000,000 lire to cover more work.

The chamber also demanded a Christmas dole for all unemployed and the punishment of police who killed an unemployed Communist in a Rome riot last Friday. The strike was called when the Government failed to meet all these demands.

The Christian Democrat labor movement called the strike a "Red imposition" on the labor movement.

"Chain Agitations"

L'Osservatore Romano declared it was in "the framework of chain agitations" against the Government. The Vatican City newspaper's reference was to the series of strikes, demonstrations and riots inspired by Leftists which began in Milan November 12 as part of a "winter offensive against Premier Alcide de Gasperi's Christian Democratic Government.

Meanwhile, Rome was almost completely tied up. There were no streetcars or busses and but few taxis operating. The central markets and most food stores and shops closed soon after noon in accordance with the strike call. Some street railwaymen were reported willing to work if given protection, but police were said to be feeling unequal to the task.

Railroads were functioning normally, however, and there was water, gas and electric service.

Last Troops In Italy To Have U.S. Yuletide

Rome, Dec. 11 (AP)—The last American troops in Italy will be in the United States for Christmas it was announced today.

Maj. Gen. L. C. Jaynes, commanding United States forces in the Mediterranean Theater, said final detachments would sail from Leghorn on the army transport Admiral Sims in time to clear Italian territorial waters before midnight Sunday, December 14—the final hour set by the Italian peace treaty for their departure.

TOSCANINI TO BE SENATOR

Conductor Among 5 Scheduled by Italy's President for Honor

MILAN, Italy, Dec. 11 (AP)—The newspaper Milano Sera said today that Arturo Toscanini, world-famous orchestra conductor, was among the five Italians President Enrico de Nicola would name Senators. Toscanini is in the United States.

The constitution, now almost complete, provides that the President may choose five Italians who have made Italy famous in the fields of science, sociology, arts and letters as life members of the Senate.

DEC 1947

Trieste Residents Are Warned

TRIESTE, Dec. 11 (AP)—The Allied Military Government warned Trieste residents today that it would take drastic action against groups disturbing the public order, whether they were "tainted with fascism, red, white or black." The warning followed protests against a military government court in sentencing three youths to seven years' imprisonment each for killing an 11-year-old girl in a demonstration Sept. 14.

Dutch Chief Going To Indies

The Hague, Dec. 11 (AP)—Premier L. J. M. Beel, Dr. J. A. Jonkman, Minister for Overseas Territories, and Willem Drees, Minister of Social Affairs, will leave soon for Indonesia to survey the situation in the Netherlands East Indies, it was announced today.

Red Technics Outlined.

"Behind the iron curtain in eastern Europe may be found case after case to demonstrate this point. Truckloads of Communist Party thugs arrive suddenly at a peaceful meeting of Democratic citizens. Clubs are brought out, men and women beaten—all in the manner typical of the worst excesses of Fascism.

"Communism has never come to power by a popular vote, by democratic methods," he said. "It has never won the majority in a fair competition of democratic political parties. It can achieve dominance only in the intrigues and machinations of power politics—bloc tactics, intimidation, bribery, force and the threat of force. These are the weapons of the seekers of totalitarian power.

DEC 1947

AMG Tells Reich Communism Is Red Fascism

American Broadcast to Germans Calls Marxist Terror Typical of Worst Nazi Acts.

Berlin, Dec. 11 (A. P.).—An American Military Government offiical told the German people in a broadcast tonight that "Communism is Fascism with a coat of red paint."

In eastern Europe, he said, Communists are beating and terrorizing the people "in a manner typical of the worst exeesses of Fascism."

The speech was transcribed in advance by Richard M. Scammon, chief of AMG's elections and political parties branch, as the fifth in a series of weekly broadcasts entitled, "Freedom versus Totalitarianism." Scammon, a political science expert, is now on leave at his home in Minneapolis, Minn.

Restrictions Detailed.

Without directly mentioning the Russian Occupation Zone of Germany, Scammon detailed Communist restrictions on political freedom which non-Communist Germans repeatedly have charged prevail in that zone under the rule of the Russian-sponsored Socialist Unity party. Scammon urged the Germans to resist intimidation.

"It has often been a tactic of would-be dictatorships to employ strong-arm gangs to break up opposition meetings and to intimidate speakers and audiences," Scammon said.

Every democrat must watch for them and must frustrate them by asserting his own democratic rights."

Russ Fires On U.S. Newsman Working On Berlin Story

Berlin, Dec. 11 (AP)—Russian soldiers and German workers prepared charges today to demolish the chancellery shelter where Adolf Hitler and Eva Braun are believed to have died. The demolition was planned under the Allied program of destroying German fortifications.

A Russian soldier fired wildly at Richard Kasischke, American correspondent for the Associated Press, after the reporter had asked whether photographs could be taken and then failed to move fast enough when ordered off the premises.

No Published Bans

The entry to the chancellery in the past has been open to the public as a sight-seeing spot. The Russians had published no restrictions against visitors.

When Kasischke asked the soldier if a photographer could be admitted after the demolition, the Russian shouted in German:

"Pictures? No, no. Out, out—get out of here."

He followed this with a stream of curses in Russian and German and took his gun from his shoulder and gestured threateningly.

The American turned and walked quickly from the garden back into the chancellery. There he stopped to talk with two German boys, selling souvenirs.

The Russian shouted angrily and fired when he saw Kasischke had stopped.

American Flees

With the Russian in pursuit, the newsman ran to his car and drove off. The Germans scattered.

German witnesses have testified that Eva Braun, long Hitler's mistress, was married to the German dictator a few hours before their supposed deaths while the Russians were storming the city.

Kasischke is a native of St. Joseph, Mich. He worked for the Associated Press in Detroit and New York before going abroad.

KRUPP LETTER SHOWN COURT

Offered to Show Firm Aided in Arms Espionage.

Nuernberg, Dec. 11 (A. P.).—The American prosecution attempted to show today that the House of Krupp abetted the Wefmar Republic in carrying on international espionage for rearmament purposes in 1925 while the Allied Control Commission still was in Germany to enforce the Versailles treaty.

The prosecution introduced before an American War Crimes Tribunal a "secret" letter dated December 31, 1925, from the Reich Ministry of Defense Naval Headquarters to Krupp requesting information on artillery manufactured by the Swedish Bofors firm.

"The Swedish Government is said to have ordered from Bofors a number of twelve centimeter guns and anti-aircraft guns for the new destroyer Nordenskjoeld, and the Dutch Government eight 12-centimeter guns, six 15-centimeter guns and six 7.5-centimeter anti-aircraft guns, the latter for the Navy," the letter said.

"Exact details about the capacity of the guns, their loading mechanism, sighting devices, automatic fuse setters, combined height and predictor would be of great interest," the letter commented.

Had Access to Bofors.

At that time Krupp employees had access to the Bofors plant, which was allowed to duplicate some Krupp gun designs, according to the prosecution, which continued to submit masses of documents detailing how the Krupp armaments firm violated the disarmament conditions of the Versailles treaty.

"We have virtually no other written document for this period (November, 1918 to 1933) since nothing was put down in writing while the Inter-Allied Control Commission was in the plant or during the French occupation which followed in 1923," a letter from the Krupp management to a Lutfwaffe general said.

The prosecution quoted Krupp documents as saying that the most important Krupp guns used by the Germans in world war II from 1939 to 1941 "were already fully developed in 1933. For the equipment which was tested in secrecy the army ordnance office and the industry stood together upon order from the Fuehrer."

Hitler's Shelter

Berlin, Dec. 11 (AP)—The commodious bomb-shelter where Adolf Hitler hid out during the fall of Berlin was blown up today in the ruined garden of the wrecked Reichschancellory.

German police said Russian demolition squads set off a charge in the *Fuehrerbunker* at 4 P.M. as part of a program of destroying German fortification. The Russians themselves made no announcement.

Man Shot At

In the steel-and-concrete shelter, British intelligence reports say, Hitler and his long-time mistress, Eva Braun, wed and died as suicides on April 30, 1945. Then they were cremated, the British say.

The Russians discouraged publicity about the demolition. Richard Kasischke, Associated Press Correspondent, going to the bunker in early afternoon to ask permission to photograph the explosion, was shot at by a Soviet sentry. He was not hurt.

30.24- 14161

The bunker, a postwar Berlin tourist drawing card, was about a 30-second run from the chancellory veranda. Some 15 feet of its concrete roof showed above the earth.

Three flights of steps led down into a small reception hall in the shelter. Inside were several rooms, including one for conferences, separate bedrooms for Hitler and Eva Braun, a connecting bath and a sizable dining room.

Underground Passage

There was a complicated air-conditioning system with a concrete-encased vent rising in the garden a few feet from the entrance. There also was an underground passage to the bunker from the chancellory.

For months the shelter had been flooded with water. Thousands of Allied soldiers had scribbled their names on the walls in English, French and Russian. Almost every movable appliance had been taken by souvenir hunters.

The once lovely garden in which the bunker stood now resembles a junk heap. Broken trees still lie about with pieces of rusted war equipment. The small depression where the bodies of Hitler and his bride presumably were cremated is no more.

The Bavarian marble in the chancellory now is being dismantled by the Russians for use in building a memorial to Stalin and the Red Army.

German Dies of Starvation.

Frankfurt, Dec. 11 (A. P.).—The Frankfurter Rundschau reported today that Hermann Weiss, 50 years old, had died of undernourishment and listed him as the winter's first hunger victim in Frankfurt.

Disappearance Of U.S. Plane Still Unsolved

Frankfurt, Germany, Dec. 11 (AP). The full-scale search for an Air Force Transport plane which disappeared thirteen days ago on a flight from Pisa, Italy, to Frankfurt ended tonight without solving the mystery of its whereabouts. Twenty persons were aboard.

The final day was marked by a widespread search by 85 American planes and an undetermined number sent up by other nations on the plane's route.

Dimitrov Forms New Bulgarian Government

Sofia, Bulgaria, Dec. 11 (AP)—Communist Premier Georgi Dimitrov formed a new Fatherland Front Government today. Dimitrov and his ministers had resigned Tuesday night to permit the formation of a new Cabinet under procedure called for in the Bulgarian constitution adopted by the National Assembly last week.

Tsola Dragoicheva was appointed Minister of Posts and Telegraphs. She is the first Bulgarian woman to achieve Cabinet rank. Like Anna Pauker, Romania's Foreign Minister, she is a Communist.

Twelve other appointees are Communists, five are Agrarians and four are Socialists.

Among the posts given to Communists are: Vice Premier, Traicho Kostov; Vice Premier and Foreign Minister, Vassil Kolarov; Interior (controlling the police), Anton Yugov; Finance, Ivan Stephanov; Education, Cyril Dramaliev; National Defense, Lieut. Gen. Georgi Damianov, and Commerce, Kurstyo Dobrev.

Georgi Traikov, Agrarian, was named Vice Premier and Minister of Agriculture. The Justice Ministry went to Radi Naidenov, Agrarian; George Popov, Socialist, becomes a Vice Premier.

Czechs Set Gift Tax On U.S. Autos

Prague, Dec. 11 (AP)—Czechoslovakia has decreed an entry tax of 120,000 crowns ($2,400) on American automobiles entering this country as gifts. The Ministry of Trade said the tax was adopted because many United States cars are appearing in Czechoslovakia labelled as gifts and are commanding double their original prices in resales.

Automobiles sent by immediate families of Czechoslovaks are exempted from the tax, and those belonging to visitors will be admitted under international touring privileges.

Czech-Russ Pact Signed

Prague, Dec. 11 (AP)—The Czechoslovak press said a trade agreement with Russia was signed in Moscow today following approval by Czechoslovakia's Cabinet.

Terms were not made public officially. The Communist newspaper *Mlada Fronta* said Czechoslovakia's trade with the Soviet Union will amount to sixteen to eighteen per cent of this nation's total foreign trade next year.

The newspaper added there would be no obligation upon Czechoslovakia to pay for food or important raw materials in dollars. It left unanswered the questions of how much Czechoslavakia previously paid or will contiue to pay Russia in dollar credits.

Greek Relief Supplies Total $14,443,998

ATHENS, (AP)— A total of 108,951 ton of U. S. foreign relief supplies, valued at $14,443,998, arrived in Greece under the American Mission for Aid to Greece relief programs during the third quarter period ended September 30.

The commodities include 79,460 tons of wheat, valued at $9,217,360; 26,075 tons of flour, valued at $4,195,467; 3,329 tons of evaporated and dried milk, valued at $972,734; and 87 tons DDT, valued at $58,437.

Poles Won't Comment On Arrest Of U. S. Aide

Warsaw, Dec. 11 (AP)—The Government declined tonight to give reasons for the arrest of three Polish employés of United States consulates and the Swedish and Belgian legations.

The employés, arrested last Saturday, were Miss Zofia Michalowska, clerk in United States consulates in Warsaw and Cracow; Mrs. Malina Abakanowicz, translator for the Belgian legation, and Miss Janina Czarnecka, translator for the Swedish legation.

Stanton Griffis, United States Ambassador, and Belgian and Swedish diplomats said yesterday they were making representations about the arrests.

Lampoons Pan-American Unity

MOSCOW, Dec. 11 (AP).—"Pravda" published today an article attacking American policy toward Latin America in which Pan-American unity was described as "a typical example of the cooperation between a rider and a horse."

G. I.'s Safe After Landing.

Istanbul, Turkey, Dec. 11 (A.P.)—Four American soldiers were safe and unhurt today after ditching their C-47 transport plane and parachuting to earth in western Turkey on a flight from Rome to Bagdad.

The pilot, Lieut.-Col. James F. Coward of Erwin, Tenn., the United States Air Attache at Bagdad, said he had planned to land Tuesday night at Athens but the weather closed in and he was unable to locate the Greek capital. He flew on, and with the fuel supply almost exhausted he finally ordered the plane abandoned.

Those aboard were Coward, Capt. A. W. McMurray of North Carolina, 1st Sgt. Hugh Willis of Hickory, N. C., and Staff-Sgt. Paul A. Barnes of Springfield, Ohio, all assigned to the Military Attache's office at Bagdad—bailed out and the transport, on automatic pilot, crashed in hilly farm country south of Susigirlik in Balikeshir province.

Two cocker spaniels aboard escaped unhurt.

"That's still top secret so far as we are concerned," they explained.

The North Korean refugees said people there were notified early on December 4 that they had until December 7 to exchange their "Red yen"—currency brought into North Korea by the Russians at the start of the occupation—for new yen printed by the People's Central Bank of North Korea.

Immediately, the travelers said, people rushed into stores seeking to buy anything with resale value. At noon the People's Interim Government of North Korea ordered all private stores closed to halt the buying wave.

Government-owned department stores and national rice shops remained open, but only North Korean Labor party members with ration cards could purchase at these. Nevertheless their sales boomed.

Debtors sought eagerly to pay up with old yen, but creditors were reluctant to accept, urging the debtor to "pay me next spring." A few angrily threw fists full of Red yen into the air, gave them away, or scattered them around on the streets, travelers related.

Korean Red Area Has Buying Spree

Recal. of Occupation Currency Has Same Effect There That It Did in Russia.

Seoul, Dec. 11 (A. P.).—Reports from North Korea today said a sudden recall of Soviet occupation currency in that Russian-occupied area had precipitated intensive buying activity on December 4—apparently coincidental with a similar reported wave of panic buying in Russia.

American officials declined comment on the reports, attributed by the South Korean press to travelers from North Korea. They were also silent on word from Washington that the United States plans to issue a new currency in South Korea to check inflation, in event of failure to agree with Russia on establishment of a unified Korean government.

Central China Major Battle Predicted

Nanking, Dec. 11 (AP)—Government military sources predicted today that a major frontal battle will begin within two or three days west of the Peiping-Hankow railroad and near the Honan-Hupeh border of Central China.

Three divisions of Red General Liu Po-cheng's army, which has swept out of its Ta Pieh mountain hideout in an apparent attempt to head west to Szechwan province, were reported already testing Government strength west of the railroad.

"Reds Suffer" In Prelude

A correspondent of the army newspaper *Peace Daily* said 20,000 Communists were decimated at Liulin Station, 115 miles north of Hankow. He said that was the prelude to a big battle along the rail line. He reported the main body of Liu's forces was sandwiched between the railroad on the west and the Ta Pieh Mountains on the east and would be the next objective of the Government's "annhiliation drive."

To facilitate command of national operations, Minister of Defense Pai Chung-hsi's Central China headquarters moved westward from Kiukiang to Hankow.

Pro-Government reports said national troops driving into the heart of the Ta Pieh Mountains, captured Kingfu, Main Red base, and were cleaning up its suburbs.

Laiyang Siege Lifted

In the East, the newspaper *Hsin Min Pao* reported that the week-old Communist siege of Laiyang, on the Shantung peninsula, had been lifted and that large-scale operations had begun against Reds in the neighborhood of Kiaohsien, 45 miles northwest of Tsingtao.

Hsin Min Pao also said the Ministry of National Defense had offered a cash reward of 1,000,000,000 yuan ($6,250 at the black market rate) for the capture of Red General Chen Kang, active in North China, and 500,000,000 for his dead body. Liu also is worth 1,000,000,000 yuan to the Ministry.

CHINA EXPECTS MAJOR BATTLE

Liu's Communist Raiders Called Government Target

Nanking, Dec. 11 (AP)—New predictions of a major battle against Liu Po-cheng's Communist army in central China some 100 miles north of Hankow came today from Chinese Government sources.

A Government military spokesman said a week ago that such a battle was under way, but subsequent dispatches have depicted Liu's raiders as continuing their hit-skip tactics and moving westward while Government forces pierced their old hideouts in the Ta Pieh Mountains northeast and east of Hankow.

The latest word came from a correspondent of the army organ, *Peace Daily*, who said Liu's main body now was sandwiched between the mountains on the east and the Peiping-Hankow railway on the west, about where the railway crosses the Honan-Hupeh provincial boundary.

Kingfus Fall Reported

He quoted Lieut. Gen. Hsu Tzi-yi, chief of staff of the central China command, as saying the Communists were now probing the Government positions in preparation for an attempt to move westward aoross the railway in strength.

The correspondent said 20,000 of Liu's command was "decimated"

(literally meaning loss of ten per cent) in a battle a few days ago at Liulin, border railway station. (Other Government reports at the time acknowledged that at least a division of Communists had escaped a Government trap and continued westward.)

Other pro-Government reports said Kingfu, some 50 miles east of Hankow, had fallen to national troops who found it to be the main Communist base in the Ta Pieh Mountains.

Big Reward For Communist

Meanwhile, Gen. Pai Chung-hsi, Government Defense Minister, who is in personal charge of the campaign against Liu, moved his headqautrers from Kiukiang to Hankow to be nearer the scene of action.

The newspaper *Hsin Min Pao* said that the Defense Ministry had offered 1,000,000,000 Chinese dollars for capture of Communist General Chen Keng and half that for his body. (At current exchange rates, the 1,000,000,000 equals about $6,500 United States.)

Chen has been operating in western Shantung. A similar price has been on Liu's head ever since he first broke into the Yangze River Valley four months ago.

China Reselling War Surplus

Shanghai, Dec. 11 (AP)—The Chinese Government is reselling to America and the world in general at least 2,000,000 tons of Pacific island war surplus which China received in settlement of a wartime United States debt of $174,000,000.

This was disclosed today when a contract was signed whereby the Bethlehem Steel Corporation will buy about 1,000,000 tons of scrap for $30,000,000.

The sale was announced by Ralph Ring, general agent of United States Lines, who acted for Pacific Far East Lines. The latter firm will move mountains of scrap from dozens of Pacific islands in 100 shiploads during the next eighteen months.

Record Purchase

The scrap was sold directly to General Commodities Corporation, an American firm which acted as agent for Bethlehem. Ring said it was the biggest purchase of scrap in Bethlehem's history and the largest shipping contract ever signed in the Far East.

Simultaneously, it was announced that more than 1,000,000 tons of equipment still operational is being resold by China on the world market with the stipulation that it is not to go either to the United States or China.

To Mexico And The Americas

Several companies have already bought quantities of operational equipment. General Commodities Corporation purchased the entire residue of surplus on Manus Island in the Admiralties, acquiring 150,000 tons of equipment ranging from road-building tractors to fountain pens.

Ring said most of the operational equipment is expected to go to Mexico, Central and South America and the Mediterranean countries. Some is believed headed for pipeline construction in the Middle East.

A Government spokesman said the decision to resell the vast tonnage of surplus was reached after China received more than she could use. Another factor, he said, was China's pressing need for United States dollars.

In the scrap deal consummated today, $18,000,000 will be devoted to shipping costs, so China will receive between $10,000,000 and $12,000,000 net.

U. S. BUSINESS BUYS SCRAP GIVEN CHINA

Nanking Sells Vast Quantities of Surplus War Materials—Washington Sees No Bar

SHANGHAI, Dec. 11 (AP)—American business interests contracted today to buy $30,000,000 worth of scrap steel from China, bringing to light the fact that the Chinese Government is selling vast quantities of United States war surplus materials received in a settlement of wartime accounts between the two countries.

The Chinese Government took title to at least 2,000,000 tons of American surpluses on Pacific islands in payment of a $174,000,000 wartime debt owed by the United States Government. The debt was largely for construction of airfields, roads and other American wartime installations in China.

Today's contract, calling for about 1,000,000 tons of scrap steel destined for the Bethlehem Steel Corporation, was disclosed by Ralph Ring, general agent of the United States Lines. He acted for the Pacific Far East Lines, which will move 100 shiploads of the metal from dozens of Pacific islands in the next year and a half. Mr. Ring said the General Commodities Corporation was the purchaser, acting for Bethlehem.

In the original settling of the American and Chinese accounts it was provided that the surplus not be resold in the United States, but, Mr. Ring said, President Truman had waived this in the case of the scrap steel because of its vital need by American mills.

Simultaneously, it was learned that the Chinese also are selling more than 1,000,000 tons of operational equipment with the stipulation that it not go either to the United States or China.

Among several companies that already have operational equipment, Mr. Ring said, was General Commodities Corporation, which acquired the entire residue on Manus Island, in the Admiralty group. This one sale covered 150,000 tons of everything from heavy earth-moving machinery to fountain pens, including 250 measurement tons of the latter.

Mr. Ring said most of it was expected to wind up in Latin America or Mediterranean countries.

Price Police Raid China's Stock Mart

Shanghai, Dec. 11 (AP)—Shanghai's economic police squad, formed to force down prices and curb speculation, raided the Chinese Stock Exchange today.

Indignant brokers suspended business. Trading remained at a standstill as police refused to leave the floor.

Brokers who offered to buy stock at prices higher than sellers offered were ordered to appear at the police station on charges of forcing up prices.

Police also swept down on rice shops and arrested dealers as the price of rice, China's staple, shot past more than 1,000,000 yuan for 132 pounds. On the black market, it brought 160,000 yuan.

Issuance of larger denomination banknotes was blamed for setting off the new inflationary spiral.

Wage Ceiling Broken By Tokyo Agreement

Tokyo, Dec. 11 (AP)—Ceiling on government workers' wages was broken today with an agreement that communication workers be paid on a par with those of private industry. Bonuses of three months pay also were granted.

That opened the door to demands by other government workers, such as railwaymen, clerks and tax collectors, who are paid an 1,800 yen ($36) monthly ceiling.

To cover some of the cost, official sources indicated, taxes might be boosted on income, sugar and tobacco and postage rates and rail fares increased.

Court Told Of Jap's Totalitarian Views

Tokyo, Dec. 11 (AP)—Magazine articles and radio broadcasts in which defendant Toshio Shiratori predicted totalitarianism would be "the dominant political philosophy of the future" were introduced by the prosecution today at the International War Crimes Tribunal.

Shiratori, former ambassador to Rome, admitted authorship of the articles, commenting: "In those days my conception of totalitarianism was quite different from that in Western countries—I thought it was similar to the Japanese concept of government."

The prosecution charges Shiratori was instrumental in bringing about the alliance of Axis powe

Japan Takes Its Turn At Seeing Flying Disks

Tokyo, Dec. 11 (AP)—Kyodo News Agency said today a policeman and two companions in Fukushima, 125 miles north of Tokyo, reported seeing a flying saucer in mid-afternoon October 10.

It was described as about a yard in diameter with a tail like a rocket, and traveling from west to east at about 650 feet altitude.

Robbers Kill Tokyo Venus

Tokyo, Dec. 11 (AP)—Yoriko Miyao, 23, famed as the most beautiful girl in Tokyo's Shimbashi district, was stabbed to death and her mother and sister wounded by two robbers last night. The thugs, armed with 12-inch butcher knives, were captured.

10 JEWS KILLED IN ARAB AMBUSH

Other Fatalities Reported in Jerusalem, Haifa Battling.

JERUSALEM, Dec. 11 — (AP)—Arab gunmen ambushed a five-truck convoy on the Jerusalem-Hebron road tonight and killed 10 Jewish settlers and wounded three others before Jewish policemen drove them off in a running gun battle.

Forty persons were killed in fighting throughout Palestine today—the highest single day's toll since the United Nations decision to partition the Holy Land touched off the battling Nov. 29.

In the 12 days the strife has raged, 171 persons have been killed in Palestine and 287 in the entire Middle East, an Associated Press count showed.

Group Ambushed

Victims of the attack on the convoy were members of the Hatoel and Hamizrachie settlements in the vicinity, endowed with American funds. The Arabs, using machine-guns, were reported to have raided the group from three sides near the villages of Kfar and Zion. An official announcement said four of the 10 killed were legally armed members of the Jewish settlement police force.

Jews and Arabs shot it out today in the winding streets of Jerusalem's old walled city within sight of the Holy Seplulcher and battled each other in bloody engagements in Haifa, where the day's death toll was eight.

Haifa sources said fighting broke out again there tonight with a counterattack by the Jewish defense militia Hagana against the port city's Arab quarter, Wadi Rushmiya. These sources said a dozen Arabs were wounded by bombs and gunfire. Hagana reported it had blown up a house from which Arabs directed fire that killed two persons yesterday.

Another Hagana report said five Jews from the Mishmar Hanegev settlement in the southern desert, missing since they left on a water pipeline patrol last night, were found dead today.

"Welding Ring of Steel"

Accounts from the capital around Palestine had begun in earnest. Arab desert fighters who call the rifles the "Brothers of Allah" were reported moving up to Palestine's borders and also assuming positions for the attempted encirclement of Jewish communities in the Holy Land.

Throughout the Arab world other than Palestine a semblance of normalcy prevailed. But it was a normalcy that caused outnumbered Jews in Arab cities like Damascus, Baghdad and Cairo to bar their doors and hastily affirm their loyalty to the Arab state passports and their hatred of partition.

Fighting in the ancient sacred section of Jerusalem swirled not only near the Holy Sepulcher but also close to the Wailing Wall and the Mosque of Omar. At least four Arabs were killed and several Jews and Arabs were wounded.

The shooting began after a group of Arabs occupied a synagogue and raised a Moslem flag above it. Jewish fighters drove the Arabs from the synagogue.

As bullets ricocheted through the twisting streets British troops blocked the six gates to the section, halting the panic-stricken flight of both Arab and Jewish residents of the walled area.

"Full Scale Battle"

A Christian cleric said the fighting assumed "full scale battle proportions." The firing also spread to the Jaffa gate section outside the walls.

Arab informants inside the walls said police and troops moved in to rescue an Arab family trapped in a bombed building near the synagogue.

In normal times the walled area has a population of approximately 20,000 Arabs; 2,500 Jews, and 4,000 others of mixed nationality—mostly Armenians and Greeks.

Communal fighting was particularly bitter in Haifa, a port city in northern Palestine. Five Arabs died and 30 were injured when a bomb, said to have been tossed from a Jewish car, wrecked a Lebanese bus and a taxi following it on Kingsway road. A military sentry shot and killed another Arab near the interment camp at Latrum.

DEC 3 1941

24 More Killed In Holy Land Clashes

Jerusalem, Dec. 11 (AP)—New communal fighting between Arabs and Jews claimed 24 morve lives throughout the Holy Land today, and Jerusalem was raked by bombs and bullets after a Moslem flag was planted on an ancient Jewish synagogue.

The fighting raised the death toll for the past twelve days to 155.

Arab and Jewish guns barked throughout the day in the narrow, winding streets of Jerusalem's walled old city. Four Arabs died and a number of Arabs and Jews were wounded when a bomb leveled an Arab house.

Bomb and gun attacks continued on Jewish interurban bus convoys. Jewish bombs were tossed into roadside Arab coffee shops. Arabs fired on a Jewish milk truck, killing the driver.

City Gates Closed

British troops blocked off the gates of the old city, stopping panic-stricken refugees from leaving until the firing died down.

Twenty of today's dead were Arabs, and the toll of death throughout the Middle East in violence touched off by the decision to partition Palestine reached 271.

Communal hatred flared in the port city of Haifa, with a death toll of six Arabs and one Jew. Scores were wounded.

Five Arabs were killed and about 30 injured in Haifa by an anti-personnel bomb hurled from a small truck at a Lebanese bus and a taxi on Kingsway highway. The explosion was followed by bursts of shots.

Bomb Attack On Bus

A Jew was killed and another was wounded in a bomb attack on a Tel Aviv-Jerusalem bus convoy near Beith Dagan. Several Arabs were believed to have been wounded when the convoy's escort fired on a coffee shop believed to have been the source of the bomb.

Arab, His Mother Killed

Four Arabs armed with pistols broke into the Magistrates Court in the Arab city of Jaffa, held up the watchman and left with four rifles, ammunition and other articles which were court exhibits, an official source said.

In the old city of Jerusalem an Arab was slain by bullets and his mother was killed when she rushed to his assistance, an official report said.

Several hundred families already have fled the walled area of Jerusalem, which in normal times has a population of about 20,000 Arabs, 2,500 Jews and 4,000 others of mixed nationality--mostly Armenians and Greeks.

A business man who left the walled region a few minutes before the gates closed, said he had seen dead and wounded lying in the streets.

Attack On Wall Kills 2

Arab sources said two more Arabs were killed in an attack on the wall surrounding the ghetto-like Jewish quarters.

At Haifa, an official announcement said, a British sentry at a military hospital was fired upon by four Jews this morning and returned the fire, killing one of the Jews. Three Arabs previously wounded in street fighting in Haifa died of their injuries.

The bodies of six more Arabs were found, meanwhile, in an orange grove bordering the bloody Hatikvah quarter of Tel Aviv, where an Arab-Jewish gun battle raged Monday night. The Tel Aviv-Jaffa borderland area was reported quiet.

One Arab was killed and four were wounded by a bomb which official reports said was thrown from a Jewish truck passing through the town of Balad esh Sheikh, near Haifa. Two Jews recently were killed by Arabs there. A military sentry shot and killed another Arab near the internment camp at Latrun.

British security forces moved out of Petah Tiqva and Ramat Gan today, leaving the Jewish constables of the Palestine police force in charge of maintaining order.

The action was in line with the announced program of British withdrawal from the Tel Aviv area, which the Government said would be completed by December 15.

ARABS STUDY WARFARE PLAN

Guerrilla Fighting Program Reported Before Chiefs

Cairo, Dec. 11 (AP)—Guerrilla warfare plans by a so-called "peoples army to save Palestine" were believed to have been submitted tonight to the Prime Ministers and other representatives of the seven countries in the Arab League.

The Arab leaders held the nightly "war council" and adjourned until Saturday without making any announcement of the matters discussed. A reliable Arab informant, however, said earlier that the Arab nations had agreed to supply an army of volunteers with weapons and money as the method of defeating the United Nations partition of Palestine.

Syrian Minister Arrives

Belief that war plans were considered was bolstered when Ahmed al Sharabati, Syrian Minister of Defense, arrived by air from Damascus and joined the conference.

He said he conferred yesterday in Dasmascus with Fawzi Bey al Kawkazi, field commander of Palestine Arabs who revolted in 1936.

Damascus dispatches said 10,000 volunteers were registered there and are now being trained. Hundreds of Palestine Arabs were reported arriving to volunteer.

Mufti Talks With Leaders

CAIRO, Dec. 11 (AP)—Arab Prime Ministers and Foreign Ministers lunched today with the Mufti of Jerusalem and saw him again after the night conference at a dinner given by Prime Minister Mahmoud Fahmy Nokrashy Pasha of Egypt.

Brigadier I. N. Clayton, British Foreign Office expert on Arab Affairs, called on Emir Feisal of Saudi Arabia and Samir el Rifai Pasha of Trans-Jordan today. The latter said Brigadier Clayton's visit was "purely personal" and was not connected with any talks between Arab and British leaders on the Palestine question.

Java Hears U.N. May Send Team To Madoera

DEC 1947

Batavia, Java, Dec. 11 (AP)—A reliable source said today the United Nations Good Offices Committee will send a military team to the island of Madoera to investigate Indonesian charges that the Dutch are violating the Security Council's August cease-fire order there.

The Republicans contend that distribution by the Dutch of food and textiles in the eastern part of the island, beyond the demarcation line proclaimed by Governor General H. J. van Mook, violates the order. Madoera lies off the northeast coast of Java.

Republicans Claim Island

The island is part of the territory claimed by the Indonesian Republic. The cease-fire order of August 4, intended to end Dutch-Indonesian hostilities which began on July 20, came as Dutch forces were in the midst of mopping up operations on Madoera. The islanders are dependent upon imports for their normal food supply.

A Dutch military source said Netherlands troops moved into the eastern part of Madoera three days before a boat arrived with food and cloth.

In the Dutch sponsored state of East Indonesia, meanwhile, Premier S. J. Warouw resigned with his Cabinet after a no-confidence vote and President Soekawati was expected to take immediate steps for formation of a new government. East Indonesia comprises all of the Dutch Indies east of Java and Borneo except New Guinea.

The Cabinet's fall was attributed by informed observers here to lack of representation in the Government of "Progressives," who favor continued cooperation with the Dutch but are less anti-Republican than the group which dominated Warouw's Government.

Pakistan Products Keep British Label

Karachi, Pakistan (A. P.).—Exports from Pakistan still carry the label "Product of British India" and will continues to carry it until the world has come to learn more of this new dominion, the Ministry of Agriculture and Marketing reports.

Then a new label, "Pakmark," will be employed and coupled with a program of compulsory grading, the spokesmen said.

MAGAZINE ARTICLE DRAWS 'APOLOGY'

Buenos Aires, Dec. 11 (A. P.).—Col. Bartolome Descalzo, president of the San Martin Institute, placed a wreath of flowers on the statue of George Washington today in a ceremonial "apology" for what the semi-official patriotic organization called a slur by Time magazine on the memory of Jose San Martin, Argentina's liberator.

The institute, in announcing the ceremony, said the article "damages equally the spirit of the heroes of the country where it was published."

30.24- 14163 DEC 1941

The article referred to has not been seen here publicly. Time has been banned here since June 18, following its publication of an article on Eva Peron, wife of President Juan D. Peron. Customs authorities promised recently to lift the ban with the December 15 issue of the magazine.

Time, in its December 8 issue, recounted the interment of San Martin's parents, whose bodies were brought here from Spain, and quoted a schoolchild viewing the procession as telling a friend that "next year they are going bring back his horse."

Musicians' Union Gets Visit By Havana Police

Havana, Dec. 11 (AP)—Police seized headquarters of the National Union of Musicians today and expelled Communists from the premises without resistance.

Jorge Romero Adams, recognized by the Government as new leader of the union, was escorted into the offices by police and a Labor Ministry inspector.

In another round of the Government campaign to wrest control of labor organizations from Communist leaders, a projected convention of the National Congress of Maritime Workers was suspend

Canada Bans New Imports

Ottawa, Dec. 11 (AP)—Under additional import restrictions disclosed today, the importation from all countries of structural steel, newspaper printing presses, a wide range of publishing equipment, and automobiles and motor vehicles of all kinds will be prohibited unless import licenses are granted.

These were the features in a long series of new restrictions in the Canadian Government's emergency measures bill, given first reading today in the Commons.

The bill is part of the Government's program to reduce Canadian expenditures in the United States in order to reduce the drain on Canadian reserves of United States dollars.

Ban On Steel Is Blow

The ban on structural steel will be a blow to new large-scale building projects in Canada, for the United States is the chief source for this type of steel.

Newspaper presses, of a class or type not made in Canada, with retail value of $1,500 or more, cannot be imported without a license, nor can parts, although saws, knives and motor power for presses may be imported.

Mechanical deliveries or conveyors for use with newspaper printing presses also are banned.

Flat-bed cylinder presses, printing sheets 25 by 38 inches or larger, are specifically restricted, along with parts and machines and parts designated to fold or sheet-feed paper or cardboard.

Typecasting Machines Included

Typecasting and typesetting machines for use in printing offices, and parts for these machines, come under the new restrictions along with offset, lithographic, printing presses and type-making accessories with their parts.

The ban fell, too, on bookkeeping, calculating and invoicing machines and the textile industry will feel the new restrictions in the import prohibition against machines for preparing, manufacturing, testing or finishing yarns, cordage and fabrics made from textile fibers or paper.

The new regulations struck in another section at expenditures in the United States for capital equipment.

Road-Paving Machines

This included import restrictions against concrete road-paving machines, trench and ditch-digging machines, machines for manufacturing veneers and plywoods.

Other capital equipment items were traction engines, engines or boilers, Diesel and semi-Diesel engines, air-cooled internal combustion engines, railway locomotives and railway cars.

Various types of building stone are also prohibited.

The bill also disclosed that some prepared foods, such as cheese, cocoa paste, coffee extract, vegetable juices, jellies, jams and marmalade, sugar candy and confectionery, which had been on the prohibited list under an order-in-council of last November 17, have been shifted to the quota list.

Canada Bows To Santa, Raises U.S. Gift Ceiling

Ottawa, Dec. 11 (AP)—The Canadian Revenue Department has decided to play ball with Santa Claus—at least until after Christmas. It's going to let him bring Canadians a few more of the fancy American goods with which he likes to fill the famous pack.

Personal gifts on articles under the ban now may enter the country from the United States duty-free—just as long as they aren't worth more than $25, the department announced today. The new regulations will remain in effect until January 15. Formerly the department permitted only gifts worth less than $5 to enter.

Glassware, toilet goods, toys, all are included among the articles which may be sent into Canada in the form of gifts.

And the American who seeks a present that is different for his Canadian friend might try sending some fresh fruit, oysters, or even a fancy box of unpitted dates—just as long as he watches how much he pays for the gift.

DEC 1941

House Passes Stopgap Aid, Funds for China Included

DEC 1947

BOYCOTT IS VOTED AGAINST NATIONS UNDER RED RULE

Amendment Makes Truman Responsible for Impact on U. S. Needs.

SENATE BILL DIFFERS

Issue Now Goes to Conferees for Ironing Out of Details.

WASHINGTON, Dec. 11—(AP) The house passed by voice vote late today its hotly debated stop-Communism bill authorizing $590,000,000 in emergency aid to France, Italy, Austria and China.

Designed to provide stopgap assistance until the long-range "Marshall Plan" for European recovery can be put into effect, if congress adopts it, the house bill now goes to a joint conference committee which will seek to reconcile it with a senate aid bill.

Senators have served notice in advance that they will object to any changes in their bill, which authorizes $597,000,000 the full amount requested by President Truman—and leaves China off the list of countries to be helped.

Differences to Be Ironed Out

The house bill, adopted after six days of debate that included a sharp political controversy earlier today, differs in several other particulars from the measure which the senate approved last week.

Representatives added amendments making President Truman responsible for easing the impact of foreign aid shipments on U.S. prices and supplies, and shutting off aid to any country falling under Communist domination.

They also forbade the distribution of relief food abroad by Communist officials or organizations.

Opponents of the aid bill clamored today for a roll call so that individual votes for and against the measure would be recorded but their move came after a rap by the gavel of Speaker Martin (R-Mass) signalled a voice vote.

Republican leaders had predicted that not more than 50 or 75 votes would be cast against the measure, which was adopted in substantially the form recommended by the house foreign affairs committee.

Funds Still to Be Voted

Even after senate and house differences are ironed out, the money required remains to be appropriated. The appropriations committees of both houses are working on the necessary bills now.

Virtually the last obstacle to house passage of the authorization bill was removed when a proposal to slice $60,000,000 for China from the measure was shouted down.

China still can be eliminated from the stopgap program as a result of the senate-house conference committee's decisions or the amount of aid recommended by the appropriation committees.

A number of house Republicans said that while the bill passed today permits aid to China, no funds will be appropriated for the country unless the state department is able to show that such help would be advisable now.

Martin named Reps. Eaton (R-NJ), Vorys (R-Ohio) Mundt (R-SD), Bloom (D-NY) and Kee (D-W Va) to work with the senate conference committee, headed by Senator Vandenberg (R-Mich), on differences between the two bills.

Just before passing its bills, the house rejected by voice vote a motion by Rep. Glen D. Johnson (D-Okla) to send the bill back to committee—that is, to kill it. It likewise turned down a proposal by Rep. Marcantonio (AL-NY) to turn the aid program over to the United Nations.

Guard U. S. Wheat Rations

Representatives adopted, however, by a narrow 78 to 73 margin an amendment requiring the government to make sure that wheat shipments to foreign countries do not bread grain below a minimum level.

The house also directed, by an overwhelming voice vote, that government agencies sell for relief purposes abroad food they have bought under price-support operations. This would add an estimated $50,000,000 to the cost of the aid program.

Rep. Lewis (R-Ohio) offered an amendment which would have given China only a token $100. He described the Chinese government as "utterly corrupt" and said "every dollar appropriated by us for China will go directly into the pockets of private persons."

Rejecting the amendment, the house sided with Rep. Judd (R-Minn) who declared that if China turns to Russia "as she will without our aid" all Asia will be lost to Communism and "if war comes we must fight a two-front war."

Action on this and other amendments followed an angry debate touched off by House Republican Leader Halleck of Indiana, with the statement that the aid bill is necessary only because the Truman administration "has terribly mismanaged" foreign affairs.

House Democratic whip McCormack of Massachusetts immediately termed Halleck's speech "one of the most regrettable" he had ever heard, and said "the time for political speeches and a preview of the 1948 campaign would have been better after this bill has been voted on."

Rep. Brown (R-Ohio), close associate of Senator Taft (R-Ohio), candidate for his party's presidential nomination, declared that McCormack's remarks were even more regrettable. "This is not the time or place for personal attacks," Brown said.

Coming to McCormack's support, Rep. Jarman (D-Ala.), charged that Halleck had "delayed the bill" and added: "I believe the people of this country want this legislation passed without the delay of tweedledee and tweedledum."

Further Fireworks

Further fireworks developed over the finally adopted wheat reesrve amendment proposed by Rep. August H. Anderson (R-Minn.), who said it would "assure the American people they will have bread in the coming year."

The amendment requires that the government make sure there is a reserve of 150,000,000 bushels of wheat next July 1 unless a May 1 estimate puts the winter wheat crop at more than 700,000,000 bushels and the planting of spring wheat is normal.

Administration officials have said that if current food-saving drives are successful, it will be possible to meet export goals and still have a reserve of 150,000,000 bushels. A winter wheat crop of 700,000,000 bushels would be slightly higher than normal.

Avowed purpose of the aid bill is to check Communism as well as to relieve hardship in the countries which will get help.

A House foreign affairs subcommittee said today that the chance of Communist victory in western Europe through legal, democratic means is dead "for years to come" but warned that the Reds may resort to "illegal and violent means."

Asserting that Communist intentions will be made plain "within a few months," the report, prepared by Rep. Maloney (R-Pa.)—continued:

"If they do not choose a violent strike for power in France and Italy, then for the time being the limits of Communist expansion after World War II have been set for the western world."

President Truman told his news conference meanwhile that his proposals for a four-year program of assistance to European recovery—the "Marshall Plan"—would not be sent to Congress this week, as had been generally expected.

The President said his message will be a long one and added that he probably won't read it to Congress in person.

Hope Of Reds In Europe's Balloting Declared Dead

Washington, Dec. 11 (AP)—A House foreign affairs subcommittee declared in a report on international political movements today that "the Communist hope of early victory in Western Europe through legal democratic politics is dead for years to come."

The report, prepared by Representative Maloney (R., Pa.), added that, because hope for legal victory is dead, the possibility that Communists will use "their party cadres through illegal and violent means is therefore open."

Choice Expected Soon

Declaring that what the Communists intend to do will be known "within a few months," the report said:

"If they do not choose a violent strike for power in France and Italy, then for the time being the limits of Communist expansion after World War II have been set for the Western world."

The report, based on the observations of a subcommittee headed by Representative Frances P. Bolton (R., Ohio) which traveled through Europe and the Near East this fall, said that the European recovery plan has brought about in non-Soviet Europe "a genuine response and a display of energy."

It added, however, that any European recovery program will depend upon these conditions:

1. An aparent limit to Communist expansion.

2. An apparent willingness of European countries to collaborate to an unprecedented degree.

3. A willingness in Europe to put its house "sufficiently in order to satisfy the requirements of American politics requisite to continuing American aid."

Trend To Right Claimed

The report said that "at this time all signs in non-Soviet European countries are now hopeful in connection with all three of these conditions" and added:

"Secretary (of State) Marshall has spoken of 'a momentum' in Europe now moving in the Right direction. Our examination of European political conditions tends to confirm this.

"While this has far to go in comparison with the short distance already traveled, there appears to be no dangerous impediment unless the Communists resort to force."

The committee said that "whatever immediate minimum quantities of food and fuel are necessary must be provided" and declared that "if the minimum essential aid is given, and violence does not occur, the political changes that have been going on in Europe will continue."

DEC 1947

Ball Asks Ban On Shift Of Reich Plants To Reds

Washington, Dec. 11 (AP)—A proposal to block shipments of dismantled German factories to Russia by clamping restrictions on Army funds is under study today in the Senate Appropriations Committee.

The idea was advanced by Senator Ball (R., Minn.), who said it might be possible to halt the reparations flood into the Soviet Union and its satellites by forbidding the use of funds for dismantling any additional plants in the Anglo-American Zone except those destined for western Europe.

Such a limitation, Ball said, could be attached to the $490,000,000 the Army is asking to meet occupation costs in Germany, Japan and Korea up to next June 30.

Under Consideration

"We are considering it," Chairman Bridges (R., N.H.) of the Appropriations Committee said.

But Senator Knowland (R., Cal.) said he believes that by the time Congress gets around to passing on the issue, it will have been settled already by changed circumstances.

Knowland said he thinks shipments to Russia and its satellites will be shut off by the Administration, without the necessity of congressional action, unless the Big Four powers agree to economic unity of Germany.

Promise Made By Army

The committee already has a promise from the Department of the Army that action will be taken if Russia blocks such an agreement at the current Foreign Ministers' Conference in London.

Ball suggested the lawmaking move after Secretary of the Army Royall questioned whether Congress can interfere with the matter of reparations since, he said, the question is covered by treaties.

Bridges countered that "it is almost unbelievable" that shipments of German war plants to Russia had not already been halted.

"Agreements Breached"

Knowland added there are no treaties implementing the agreements made at the Potsdam Big

DEC 1947

Three Conference in 1945 and, in any event, the Russians have already breached those agreements.

William H. Draper, Royall's Under Secretary, told the committee yesterday:

"If the London conference does not achieve economic unity, in my opinion we should not send any more machinery east."

In the same connection, Bridges noted, Secretary of State Marshall insisted last night in London that the Russians halt removal of what Marshall estimated at $500,000,000 worth of German assets from their zone annually.

Stand Is Too Late

"I am happy the Secretary has taken a positive stand, but he has done it too late," the chairman said.

Royall was scheduled to appear before the committee again today for the fourth time this week. Bridges said members wanted to ask him additional questions about the entire program of dismantling German plants.

Lawrence Wilkinson, economic adviser to Gen. Lucius Clay, United States commander in Germany, testified yesterday that most of the reparations destined for Russia from the American zone have already been shipped. He added that American forces have made considerably more progress than the British in the dismantling work.

Bridges wanted to know why the United States pushed the program in view of "Russia's performance in the past year."

"Doesn't Make Sense"

Wilkinson said the American zone had a large proportion of war plants, and that it was desirable to demilitarize Germany as rapidly as possible.

Bridges agreed, but added: "I'd blow 'em up rather than send them to Russia."

Ball said he felt the same way.

"It just doesn't make sense to me to come up and ask for hundreds of millions of dollars to keep Russia out of western Europe and at the same time ship them war plants," Ball said.

Pauley Called by Senate Group To Explain Grain Mart Dealings

WASHINGTON, Dec. 11—(AP) A congressional investigation was launched tonight into the dealings of Edwin W. Pauley, army department official, who acknowledged operating in the grain market but denied the transactions had anything to do with his official position.

Acting swiftly after Harold E. Stassen charged that government "insiders" have profited in food speculation, the Senate Appropriations Committee summoned Pauley to appear tomorrow for questioning.

A special assistant to Secretary of the Army Royall, Pauley was formerly Democratic party treasurer and figured in a hot congressional row last year when President Truman unsuccessfully sought to make him undersecretary of the Navy.

Royall told the Senate committee today that Pauley informed him he had liquidated part of his grain holdings at "great personal loss" and would dispose of the remainder as "rapidly as possible consistent with the capital gain statute."

Royall added that Pauley has not had access to any information about army grain buying that might be used in speculation.

Pauley issued a statement tonight in which he said he has been liquidating his holdings. He described his transactions as "perfectly proper and ethical."

He struck out at what he termed "loose charges" that trading in commodities has boosted prices, saying that inflation is due to war and its economic consequences.

(The Truman administration has been attributing price rises partly to speculation. The President, in a speech on Oct. 5, deplored what he described as "the greed of speculators who gamble on what may lie ahead in our commodity markets.")

During the day there were these other developments:

1. House Republican Leader Halleck of Indiana promised an investigation of the charges made by Stassen, candidate for the Republican Presidential nomination.

2. Rep. Mac Kinnon (R-Minn) introduced a resolution authorizing the House banking committee to investigate officials connected with food purchases that might have affected prices. He said it was aimed at any who might have profited on speculation using inside information.

3. Senator McCarthy (R.-Wis.) wrote Secretary Royall asking him to supply names of anyone in his department connected with a sugar buying program "who was also dealing in sugar futures." He asked that the information be turned over to the Senate expenditures committee. McCarthy did not explain his reference to those dealing in sugar futures.

Halleck announced the intention to make an inquiry in a letter to Stassen. Halleck said Stassen had advised him of "widespread reports" that insiders in the government's grain purchasing program "are reaping a golden harvest in the grain markets."

At the White House, President Truman was asked about similar assertions by Stassen in a speech last night and he replied that he knew nothing of any such activities. He declined to comment, adding he had not read Stassen's speech.

Truman Fights Speculation

The administration, led by President Truman, has strongly and repeatedly condemned grain market speculation as a cause of increases in the cost of living.

Halleck wrote Stassen that "confidence of the people in the integrity of the government's gigantic grain-buying program has been shaken" by Stassen's charges.

Halleck wrote that any government official or employe in a position to know the government's buying program "and who is speculating in the grain markets, ought to be dismissed and exposed to public censure he so much deserves."

The former Minnesota governor told his Doylestown audience that he had wired Pauley citing "persistent rumors" that Pauley had this year made substantial purchases and sales of wheat and other food commodities.

Stassen said that Pauley had not answered his questions. Pauley said here in a statement last night that "if the proper occasion arises, I shall welcome the opportunity to discuss fully the general subject which has been raised." He noted that Stassen is a candidate for the Republican nomination and said he saw no reason why he should help Stassen along.

G.O.P. PRICE PLAN IS APPROVED BY HOUSE COMMITTEE

Group Disregards Truman's Plea for Compulsion-Backed Controls.

DEBATE DUE MONDAY

Republican Proposal Stresses Voluntary Program to Curb Inflation.

WASHINGTON, Dec. 11—(AP) President Truman today labelled Republican anti-inflation plans as inadequate but the House Banking Committee disregarded his plea for compulsion-backed controls and approved the four-point GOP voluntary program by a vote of 14 to 9.

Thus the stage was set for a showdown next week on the two conflicting theories as to the best way to curb the rising cost of living.

The President told his news conference today anything less than the 10-point administration program would fail to do the job and he wanted it adopted to the letter. This called for standby power to impose wage-price controls and rationing.

GOP Seeks Voluntary Action

The Republican measure introduced by Rep. Wolcott (R-Mich), stresses voluntary action. It provides generally that, without being held liable for violation of anti-trust laws, industry and agriculture can make agreementes to share transportation, save grain in the production of livestock, divide up scarce goods and regulate speculation on the commodity exchanges.

The bill also would continue the president's control powers over exports as well as his authority to allocate transportation facilities. Another provision would seek to tighten bank credits by increasing the amount of gold reserves required to be held up by federal reserve banks to support currency issued and to back up deposits of commercial banks. The Wolcott bill would be effective until March 1, 1949.

Wolcott told reporters the measure probably would be given the rules committee for clearance tomorrow so debate can open in the house Monday.

These were other highlight developments as the cost-of-living battle moved toward a climax:

Truman to Offer Legislation

1. President Truman told his news conference he will submit to congress in a couple of days specific legislation covering proposed wage and price controls. Through Secretary of Commerce Harriman he has already pin-pointed his requests for rationing and allocation authority. He added he also expects to submit other proposals to cover all ten points outlined in his first message to the special session.

The president sharply criticized the Republican proposal to relax anti-trust laws to permit voluntary industry-wide agreements aimed at curbing inflation. He said the anti-trust laws will be enforced to the limit as long as he is president.

2. Senator Taft (R-Ohio) announced the Republicans will make public a "full fledged" anti-inflation program of their own tomorrow. Taft said the Wolcott bill constitutes "only a part" of the overall GOP program which will cov the objetcives of at least six of t ten points set out in the administr tion program.

Taft listed these as involvin the president's requests for restri tions on bank credits, extension export controls, authority ov transportation, livestock marketi weights, allocations of scarce cor modities and trading on the gra exchanges.

The Ohio presidential candidat said the Wolcott bill represents the Republican leadership's judgment on "the things that can be cleared by congress by Christmas." The final decision on the remainder of the Truman program will have to wait until the regular session in January, he said.

Mr. Truman's statement that there would be no relaxation of the anti-trust laws as proposed by the Republicans in their voluntary industry agreements plan, brought a quick reply from Taft.

He said the president "doesn't clearly understand" what the Republicans are proposing. "Any voluntary agreement which would call for an exemption from the anti-trust laws would have to be approved by the President or the attorney general," Taft told newsmen.

DEMOCRAT OFFERS PROPOSAL TO CUT TAXES FIVE BILLION

WASHINGTON, Dec. 11—(AP) Stealing a march on the Republicans, a Democratic congressman from Michigan today introduced a bill to reduce taxes by $5,500,000,000.

Rep. Dingell, who presented the measure, said it offers "an equitable system of tax reduction." He is a member of the tax-framing ways and means committee and opposed the G.O.P.'s $4,000,000,000 tax cut bills which were vetoed by President Truman during the last session of Congress.

Would Slash Excise Taxes

Dingell proposed:

1. Trimming more than $2,000,000,000 annually from federal excise taxes.

2. Increasing personal income tax exemptions by $100 and reducing surtax rates one per cent in each bracket.

3. Allowing husbands and wives to split their incomes for tax purposes.

On another phase of the tax question, the Senate Expenditures Committee recommended removal of excise taxes on gasoline, admissions to theaters and athletic events, and local telephone and electric bills. The group also suggested that Congress equalize federal taxes between the so-called "community property states" and other states. It advocated further that states be allowed to collect the present federal tax levied on employers to pay for administering state unemployment compensation and employment programs.

These recommendations will go to the Senate Finance committee which handles tax legislation in that chamber, although the House must initiate all revenue bills.

Meanwhile the House Ways and Means committee considered testimony from a group of educators opposing removal of tax-exempt privileges.

Dr. George F. Zook, president of the American Council of Education, representing 868 colleges and schools, told the committee any curtailment of the present tax immunities would result in increased fees for students and lowered salaries for teachers.

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ng said the
exception-
be made to
ctivities of

Mason, declared any corpora
giving its profits to an educati
institution should have to pay t
on them first.

Educators at the hearing said
macaroni factor was an excep
al case and should not be mad
reflect on business activities of
other institutions.

Rep. Mason (R-Ill.) brought out that New York University owns the biggest macaroni factory in the country and pays no taxes on it.

Chairman Knutson (R-Minn.) said he understood the factory is operated by alumni, who turn over profits to the school.

DEC 1947

DEC 1947

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Panama Pact Tightens Outer U.S. Defenses

Rounds Out Master Plan of Perimeter Bases With Exception of Greenland Sites Which Denmark Is Reluctant to Give.

Washington, Dec. 11 (A. P.).—A new agreement with Panama for the lease of fourteen airfields and other military sites largely rounded out today this country's master plan for air-age defense with a ring of distant bases.

If ratified by the Panamanian Assembly, which has been summoned into session tomorrow, the agreement promises to safeguard the Panama Canal to a degree American officials consider satisfactory under present world conditions.

The Pacific approaches to the United States already have been sealed by a United States agreement giving this country sole trusteeship over the former Japanese mandated islands. And in the far north—the most vital pathway over the top of the world—Canada and the United States are co-operating closely on defense measures under a formal agreement to extend their wartime joint planning.

One Link Still Open.

One link in the long-range defense chain remains to be welded, but it is not deemed essential. Talks are continuing intermittently with Denmark looking to an extension of the 1941 agreement permitting the United States to establish bases on strategic Greenland. These conversations have made little progress, however, and officials expect little in view of the Danish Government's reluctance in the face of a vocal Communist minority to take an action which Moscow has made clear Soviet Russia would resent.

But even if the United States is unable to win concessions in Greenland, making use of the big island would be difficult for any potential foe, it is within the security zone of the new Inter-American Defense Treaty ratified on Monday by the Senate. That document calls for joint action by all the western hemisphere nations against any hostile move within that zone.

Of two other wartime outposts, American troops already have quit Iceland, and an agreement with Portugal to continue use of air facilities in the Azores is a temporary one, based on the continued presence of American occupation forces in Germany.

Truman Denies Forrestal Rumors

Washington, Dec. 11 (A. P.).—President Truman said today that Secretary of Defense Forrestal is not resigning. This reply was given to a reporter who said that there were repeated rumors that Forrestal might step out. No, Mr. Truman said, adding that his answer was categorical.

Netherlands Honors Truman

WASHINGTON, Dec. 11 (AP)—President Truman got a medal today from Representative Charles A. Wolverton, Republican, of New Jersey, who explained later that it was presented on behalf of W. C. Sanderson, the Burgomeister of Middlburg, The Netherlands, in appreciation for American aid.

Gen. Watson in New Post Jan. 1

WASHINGTON, Dec. 11 (AP)—Lieut. Gen. Thomas E. Watson, named commanding general of the Fleet Marine Force in the Pacific, will take over his new duties about Jan. 1, Marine Corps headquarters said today.

Finns Pay $260,852 to U. S.

WASHINGTON, Dec. 11 (AP).—Finland paid the United States another $260,852.24 today on an $8,400,000 debt contracted after World War I in 1918. Thus it kept its record of being the only country which has never defaulted on debts of that period. Although Finland has paid about $8,060,000, so much of that has gone for interest—at 3 per cent—that Finland still owes this country more than $8,000,000.

U.S. Turns Over Six Small Ships To Greece

Norfolk, Va., Dec. 11 (AP)—Greece accepted six little gunboats from the United States today with the pledge that she "will never cease to fight as long as our democratic way of life is at stake."

Transfer of the 173-foot vessels from the United States Navy "is a noble gesture . . . which deeply moves the Greek people," Ambassador Vassili Dendaramis told the ships' crews and several hundred civilians of Greek descent who shivered under the lash of a biting wind that swept a Norfolk naval station pier.

Rear Admiral W. L. Ainsworth, USN, commandant of the Fifth Naval district, who delivered the ships to the Ambassador, said, "We are helping those whom we know will help themselves."

RED CENTER SEEN IN SAN FRANCISCO

San Francisco, Dec. 11 (A. P.).—The San Francisco Grand Jury termed this city the second largest Communist center in the United States in a report last night urging the establishment of a police intelligence department to hunt Reds. The report recommended that the Communist party be immediately outlawed in the United States.

"This city is the administrative center of Communist activities in the western United States and Hawaii. As a vital shipping and transportation center, San Francisco is in a precarious position when exposed to such active disruptive elements within the gates," it said.

The Grand Jury proposed that an intelligence department, separate from the rest of the police force, be accountable only to the Police Chief.

Washington, Dec. 11 (A. P.).—Chairman Le Compte (R.-Iowa) of the House Administration Committee plans to hold hearings next month on legislation by Representative William C. Cole (R.-Mo.) to outlaw the Communist party in the United States, he said yesterday.

"I would like to hold the hearings now," Le Compte told a reporter, "but it would not be practical when we are planning to adjourn December 19. I expect to hold them just as soon after the regular session opens in January as I can get to them."

Extradition Hearing Halted

LOS ANGELES, Dec. 11 (AP).—A Federal court hearing for the removal to Washington of ten Hollywood film personalities charged with contempt of Congress was abruptly recessed today, and conferences were started in an effort to reach an agreement whereby the defendants would waive their objections.

District Judge J. F. T. O'Connor called the recess shortly after counsel for the film figures had declared that the indictment under which they are charged "is void on the face of it." The statement was made by Robert W. Kenny, former State Attorney General, as he opened his argument against removal of the ten producers, directors and writers to Washington to face the charges.

Mr. Kenny said he challenged the constitutional authority of the House Committee on Un-American Activities to ask of the defendants: "Are you, or have you ever been, a member of the Communist party?"

Morgenthau Calls Coming Year Jewish History's Turning Point

ATLANTIC CITY, N. J., Dec. 11—(AP) Henry Morgenthau, Jr., former secretary of the treasury, declared tonight 1948 is the turning point in Jewish history and "American Jewry will measure up to the requirements of this miraculous hour."

Morgenthau made no reference to Arab opposition to a Jewish state in Palestine in an address to the opening session of the national conference of the United Jewish Appeal, of which he is general chairman.

He reported that UJA spent $158,032,729 in 1947 for the relief and rehabilitation of Jews abroad, for resettlement of Jews in Palestine, and for assistance to Jewish refugees in the United States.

Hails UN Decision

Morgenthau hailed the United Nations decision to partition Palestine and said "we must turn our backs on the dark, dreary pages that we have numbered since 1933."

He said:

"What the United Nations have done is to give the Jewish people the opportunity to rebuild the lives of countless Jews on the soil of their ancestors.

"It is not a finished achievement with which we are faced—but an opportunity and a chellenge. It is for us to realize that opportunity and to measure up to that challenge.

Morgenthau said more than 900,000 homeless and destitute Jews in Europe have received aid from the joint distribution committee, a UJA subsidiary that spent $75,092,000 in 1947. More than 74,000,000 pounds of food, clothing and medicine were shipped to Europe at a cost of $20,800,000. Morgenthau said. More than $13,000,000 was advanced by UJA to 250,000 Jews in displaced persons camps in Germany, Austria and Italy, he said.

Tells of Aid For DPs

Some 105,000 Jews, all that remain of a 3,000,000 pre-war population in Poland "have made considerable progress toward economic recovery" with aid from American Jews, Morgenthau said. Two-thirds of the 180,000 surviving Jews in Hungary still are dependent on American aid, he continued, as are some 420,000 in Romania.

The JDC spent $5,050,000 in France, $1,620,000 in Shanghai where 10,000 Jews are stranded, and $1,000,000 on Cyprus to aid 20,000 Jewish refugees in 1947, Morgenthau said.

Some 30,000 Jews were settled in Palestine in 1947 and 25,000 more entered the United States, he continued.

W. Hallam Tuck, executive secretary of the preparatory commission for the International Refugee Organization, told the session the budget for the IRO is too limited to resettle displaced persons. He called on the UJA to increase funds provided for the IRO, which has headquarters at Geneva, Switzerland.

Displaced persons are receiving only "minimal care," Tuck reported, and said a "supreme effort" is necessary to fill in the gap caused by an inadequate budget.

The UJA sought $170,000,000 in 1947 to meet requirements of its subsidiary organizations. An even higher budget was forecast by UJA spokesmen for 1948 when the formation of a Jewish state is expected. Part of the budget, they said, must be expended in the maintenance of security in Palestine for the Jewish population.

ATOMIC WAR NOTE SOUNDED

Only A World Government Can Avert It, Says Hutchins

Chicago, Dec. 11 (AP)—Chancellor Robert M. Hutchins, of the University of Chicago, asserted today that America has been attempting to "buy allies for the next war" and that only a world government can prevent future atomic war.

"The policies we have been following—peace by intimidation and peace by purchase—do not seem to be succeeding very well; and, if the catastrophe comes, we shall be unable to evade a large share of the responsibility for it," he said.

In an article in *Common Cause*, published by the Committee to Frame a World Constitution, Hutchins said the United Nations is by charter an association of independent sovereign states. He added:

"The major premise of all discussions looking toward agreements for the control of atomic energy has been that the nations retain their sovereignty. Hence, these discussions have not succeeded and cannot succeed. Either we have world federal government or we have preventive war on Russia, and "if we seriously entertain this possibility, we ought first to make our apologies to the Nazis we hanged at more and Nuernberg."

30.24- 14167

GROMYKO WILL MOVE TO PARK AVE. MANSION

NEW YORK, Dec. 11—(AP) Andrei A. Gromyko, Soviet deputy foreign minister, is moving to a mansion on Park Avenue.

Gromyko, chief Russian delegate to the United Nations, is giving up modest quarters in a brown brick apartment at Columbus Avenue and 88th Street on New York's upper West Side for the red-carpeted marble home at the corner of Park Avenue and 68th Street.

Gromyko's new place is the old residence of the late Percy Pyne, financier. The Russians purchased it last June 30. The price was around $1,000,000, according to well advised real estate circles.

The chief delegate and some of his staff will occupy the mansion.

U.N. Not Opening Cairo Office

Lake Success, Dec. 11 (AP)—The United Nations has shelved plans to establish an information office in Cairo, scene of demonstrations against the United Nations decision to partition Palestine.

A high official said the United Nations was completing arrangements to open offices in Moscow on January 15 for the dissemination of United Nations public intelligence and measurement of its reaction on the Russian people.

Benjamin Cohen, assistant secretary-general in charge of information, declined comment, but other sources expressed the view that it would be unwise to make a move in Cairo now because of the tense situation in the Middle East over partition.

One suggested way to place a center in the Africa-Middle East region would be through utilization of the press-information staff, which will be sent into Palestine with the partition commission. The duties of the press officer eventually will include propagandizing for the United Nations and it is possible that the projected international city of Jersualem might be selected for an information center. Any decision on this would lie well in the future, however, one authority said.

U.S.SECRETARY OF STATE GEORGE C.MARSHALL AND BRITISH FOREIGN SECRETARY ERNEST BEVIN REFUSED TO COMMIT THEMSELVES COMPLETELY TO ANY AGREEMENT ON DETAILS OF ECONOMIC CLAUSES OF THE PROJECTED GERMAN PEACE TREATY PENDING AGREEMENT BY THE BIG FOUR ON THE MAIN ISSUE OF ECONOMIC UNITY.

SOVIET FOREIGN MINISTER V.M.MOLOTOV ASKED THE MINISTERS TO ADOPT NOW DEADLINES FOR DRAFTING A NEW AND FINAL LIST OF INDUSTRIAL PLANTS TO BE REMOVED FROM GERMANY AS REPARATIONS. DATES WERE CONDITIONALLY SET AT MARCH 1 FOR A NEW REPORT FROM THE ALLIED CONTROL COUNCIL IN BERLIN FOR SUCH REMOVALS AND APRIL 15 FOR PUBLICATION OF A DEFINITE LIST OF SUCH PLANTS.

DEC 1947

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CONFERENCE SOURCES SAID ON TWO OCCASIONS TODAY MARSHALL GAVE FRANCE CONSIDERABLE SUPPORT, FOLLOWING UP YESTERDAY'S MOVE TO BOLSTER FRENCH DEMANDS FOR A DEFINITE RATIO FOR GERMAN COAL EXPORTS.

THE UNITED STATES SUPPORTED BIDAULT'S PROPOSAL THAT EXCESS MACHINE TOOLS AS WELL AS ENTIRE PLANTS BE CONSIDERED AS SUBJECT TO REMOVAL AS REPARATIONS AND ALSO A DEMAND THAT SUCH REMOVALS BE SPEEDED UP IN ALL CATEGORIES OF "FORBIDDEN" INDUSTRIES.

IN BOTH CASES DISAGREEMENTS ON RELATIVELY MINOR POINTS OF WORDING SENT THE PROJECTED CLAUSES TO A DRAFTING COMMITTEE FOR STUDY AND RESUBMISSION TO THE MINISTERS.

REFERRING TO THE PROPOSED NEW INDUSTRIAL LVEL FOR GERMANY, BIDAULT SAID FRANCE WOULD NOT OPPOSE RECONSTRUCTION OF THE BEATEN NATION PROVIDED IT WAS RECONSTRUCTION FOR PEACE WHICH WOULD AID EUROPEAN RECOVERY AND PROVIDED GERMANY DID NOT OBTAIN PRIORITY OVER THE VICTIMS OF HER AGGRESSION IN THE RECONSTRUCTION.

AN EXPECTED SHOWDOWN ON REPARATIONS BETWEEN MARSHALL AND MOLOTOV DID NOT DEVELOP SINCE THE MINISTERS PASSED OVER REPARATIONS QUESTIONS AND LAUNCHED INTO A DISCUSSION OF OTHER ECONOMIC PRINCIPLES.

MOLOTOV SOUGHT TO HAVE IT UNDERSTOOD THAT ALL AGREEMENTS ON INDIVIDUAL POINTS SHOULD BE CONSIDERED AS FINISHED AND DEFINITE DIRECTIVES TO THE ALLIED CONTROL COUNCIL REGARDLESS OF WHETHER COMPLETE AGREEMENT ON GERMANY WAS REACHED IN LONDON.

MARSHALL AND BEVIN, HOWEVER, DECLARED ALL AGREEMENTS MUST BE CONSIDERED CONDITIONAL, PENDING A FINAL ASSESSMENT AT THE END OF THE CONFERENCE.

DEC 1947

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LONDON, FRIDAY, DEC.12-(AP)-SECRETARY OF STATE GEORGE C.MARSHALL IS SCHEDULED TO SPEAK TONIGHT AT A DINNER OF THE PILGRIM'S SOCIETY OF GREAT BRITAIN, WHICH WILL BE BROADCAST BY BBC FROM 9:15 P.M. TO 9:45 P.M. (4:15 P.M. EST TO 5:45 P.M. EST).

BRITISH FOREIGN SECRETARY ERNEST BEVIN ALSO WILL ADDRESS THE DINNER

THE PILGRIMS SOCIETY OF GREAT BRITAIN AND ITS SISTER SOCIETY, THE PILGRIMS OF THE UNITED STATES, CONSIST OF BRITISH AND AMERICAN BUSINESSMEN INTERESTED IN DEVELOPING GOOD RELATIONS BETWEEN THE TWO COUNTRIES.

(CBS SAID IT WOULD BROADCAST MARSHALL'S ADDRESS STARTING AT 4:25 P.M. EST).

WB14BAES

LONDON, DEC.11-(AP)-THE BRITISH BOARD OF TRADE ANNOUNCED TODAY THAT AGREEMENT HAD BEEN REACHED ON ALL THE MAIN POINTS OF A BRITISH-SOVIET TRADE PACT, NOW UNDER DISCUSSION IN MOSCOW.

J.HAROLD WILSON, BRITISH BOARD OF TRADE PRESIDENT WHO RETURNED FROM MOSCOW TALKS YESTERDAY, REPORTED TO PRIME MINISTER ATTLEE TODAY ON THE NEGOTIATIONS. HE IS EXPECTED TO MAKE A STATEMENT IN THE HOUSE OF COMMONS LATER.

TASS, THE SOVIET NEWS AGENCY, REPORTED EARLIER TODAY THAT AGREEMENT HAD BEEN REACHED ON ALL MAIN POINTS.

BRITISH EXPERTS IN MOSCOW WILL WORK OUT THE DETAILS OF THE PACT UNDER THE DIRECTION OF SIR MAURICE PETERSON, BRITAIN'S AMBASSADOR TO THE U.S.S.R.

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DEC 1947

DEC 1947

Italian Separate

DEC 1947

BY JOHN P. MCKNIGHT

ROME, Dec. 11-(AP)-"Pancia piena non pensa alla vuota." The little man jabbed me in the ribs.

"That's it," he said. "That's the trouble with the government. That's why it has not done anything. 'The full does not think about the empty one.'"

This was in the middle of the Piazza Colonna in the heart of strike-ridden Rome.

The Piazza Colonna is one of the city's "neuralgic spots," in the graphic phrase employed tonight in the interior ministry's communique on Rome's day-old general strike.

DEC 1947

Tradition going back many years dictates that Romans gather in this square, off the left shoulder of the constituent assembly building, to swap chit-chat, argue politics, toss gallant remarks at passing beauties, consummate black-market transactions and drink coffee.

At the piazza colonna meet the two main lanes of the city of the Caesars--the Via Tritone and the Corso Umberto, which Romans still call after Italy's second and fourth kings although the republic has

tent tried to rename it the "Viale del Corso."

Just beyond the square is the Montecitorio palace, past and future seat of the Italian parliament and present meeting place of the constituent assembly that is writing the republic's constitution. Abutting it is the Palazzo Chigi, the foreign ministry, from which Mussolini harangued his first Roman Fascist crowds.

The Piazza Colonna has cafes all around it, and two great echoing galleries bisecting the big block of buildings fronting it and [illegible] providing shelter against the wind and the rain. MOR2

DEC 1947

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So the Piazza Colonna is by way of being an open-air club for the Roman, rich man, poor man, beggarman, thief, Communist, Socialist or Christian Democrat.

DEC 1947

It was natural, then, that today, as on every free day, Romans in the late afternoon drifted into the big square to talk about the strike.

At first scores, then hundreds and finally thousands gathered.

Most came to pass the time of day with friends, some to see what might be going on, a few to jeer police riot squads massed in the square.

Of this last, the police finally had enough, and their jeeps, bucking up across the sidwalks like mustangs, time after time charged the crowd, which dodged jumps the jeeps with an agility won in soccer. Oldsters growled about "police provocation."

Most of the crowd finally drifted home for dinner. A few score stayed to talk over—[redacted]—the events of the day.

DEC 1947

One of these was the little man.

"I am a Christian Democrat," he said. "I do not like strikes. I do not like this one. But still there's some reason to it. The government's not thinking about empty b[redacted]"

A steamy, unshaven fellow with a grimy visor cap said:

"You an American newspaper man? I got a friend that's one. He's got a jeep and everything. I'm a Communist. But he's still my friend."

All around us little knots of arguers milled, moved, changed shape and supplied the ground bass of their murmur to the cadenza of the orator of the moment.

"It's winter," the Communist said (it was. The wind bit). "And there are 70,000 in Rome province with no jobs."

A lank youth of 19 or 20 leaning against one of the great pillars straightened up.

"But you do not help them this way," he said.

In 30 seconds they were going hammer and tongs, and

DEC 1947

hangerson at adjoining discussion groups began drifting our way.

It was time to get back to the office, and I started edging away.

The little Christian Democrat caught me. DEC 1947

"Sure, it's the Communists that led this strike," he said. "The trouble is, the Communists have got something."

NIGHT LEAD KRUPP (140)
BY EDWIN SHANKE
NUERNBERG, DEC. 11-(AP)-A PROSECUTION WITNESS AT THE GERMAN HOUSE OF KRUPP'S WAR CRIMES TRIAL TESTIFIED TODAY THAT A DUMMY KRUPP SHIPBUILDING FIRM DESIGNED A SUBMARINE FOR THE RUSSIANS THE YEAR AFTER HITLER CAME TO POWER.
HUGO SELIGMAN, RETIRED DESIGNER FOR KRUPP'S GERMANIA SHIPYARDS, SAID THE SHIPYARD KRUPP ESTABLISHED IN THE NETHERLANDS, ALLEGEDLY TO HIDE ITS PREPARATIONS FOR AGGRESSIVE WARFARE, DID THE WORK FOR THE SOVIET UNION IN 1934, WHEN GERMAN-RUSSIAN RELATIONS OSTENSIBLY WERE BAD.
HE TESTIFIED HE KNEW NOTHING OF THE ACTUAL CONSTRUCTION OF THE U-BOATS BY THE RUSSIANS "BECAUSE I NEVER WAS ALLOWED TO GET AS FAR AS
THE SHIPYARD BUT ONLY TO THE DESIGNING OFFICE."
HE SAID SEVERAL RUSSIAN NAVAL DESIGNERS SPENT CONSIDERABLE TIME WITH HIM IN THE HAGUE OFFICE OF INGENIERKANTOOR VOOR SCHEPSBOUW (IVS), A COVER FIRM FOR KRUPP SUBMARINES.
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DEC 1947

BUCHAREST, ROMANIA, DEC 11-(AP)-ILLEGAL JEWISH EMIGRATION FROM ROMANIA TO CENTRAL EUROPE HAS BEEN HALTED TO AVOID SWELLING THE NUMBER OF JEWISH DISPLACED PERSONS IN GERMANY WAITING TO GO TO PALESTINE, A SPOKESMAN FOR ZIONIST AND JEWISH ORGANIZATIONS HERE ANNOUNCED TODAY. HE SAID THE STEP WAS TAKEN BEFORE THE UNITED NATIONS DECIDED NOV.29 TO PARTITION PALESTINE.
HUNDREDS OF JEWS, UNAWARE OF THE DECISION, HAD REACHED HUNGARY ONLY TO FIND THAT THE JEWISH CLANDESTINE IMMIGRATION POSTS HAD BEEN WITHDRAWN ALONG THE FRONTIER, THE SPOKESMAN SAID. THE GROUPS WERE TURNED OVER TO ROMANIAN AUTHORITIES TO BE TRIED FOR ATTEMPTING THE ILLEGAL EMIGRATION, BUT SENTENCES ARE BEING SUSPENDED, THE INFORMANT ADDED.
G158PES

BUCHAREST, ROMANIA, DEC.11-(AP)-CONSTANTINE NEGEL, THE PALACE MINISTER WHO ACCOMPANIED KING MIHAI TO LONDON FOR THE WEDDING OF PRINCESS ELIZABETH, WAS RECEIVED TODAY BY PREMIER PETRU GROZA, BUT THE SUBJECT OF THE MEETING WAS NOT ANNOUNCED.
(MAJ.JACQUES VERGOTTI, KING MIHAI'S PRIVATE SECRETARY, SAID LAST WEEK THE KING WOULD ASK GROZA'S COMMUNIST DOMINATED GOVERNMENT FOR PERMISSION TO MARRY PRINCESS ANNE OF BOURBON-PARMA, "PERHAPS NEXT WEEK.")
INFORMED POLITICAL CIRCLES DISCOUNTED THE POSSIBILITY THAT GROZA'S CABINET WAS CONSIDERING A DEMAND BY MIHAI FOR PERMISSION TO MARRY. THESE CIRCLES SAID THE MOMENT WAS INOPPORTUNE FOR SUCH CONSIDERATION, AND IT WAS CONSIDERED POSSIBLE THAT NEGEL WOULD RETURN TO MIHAI WITH SUCH A MESSAGE.
NEGEL RETURNED TO BUCHAREST LATE SATURDAY AND SAID HE WOULD LEAVE TOMORROW TO REJOIN THE KING IN LAUSANNE, SWITZERLAND, AND ACCOMPANY HIM BACK TO ROMANIA.
(THE LONDON DAILY GRAPHIC SAID RECENTLY "A RUSSIAN VETO IS BARRING" THE ENGAGEMENT.)
PS550PES
DEC 1947

FOLO LONDON BIG FOUR (300)
MOSCOW, DEC.11-(AP)-THE OFFICIAL TASS NEWS AGENCY ASSERTED TODAY THAT JOHN FOSTER DULLES' TRIP TO PARIS LAST WEEK WAS FOR THE PURPOSE OF DETERMINING WHETHER THE UNITED STATES SHOULD BACK PREMIER SCHUMAN'S NEW GOVERNMENT OR HELP GEN.CHARLES DE GAULLE TO POWER.
DULLES IS U.S.SECRETARY OF STATE GEORGE C.MARSHALL'S REPUBLICAN ADVISER AT THE BIG FOUR FOREIGN MINISTERS CONFERENCE IN LONDON.
THE TASS DISPATCH, PRINTED UNDER A PARIS DATELINE, GAVE "JOURNALISTIC CIRCLES" AS THE SOURCE OF ITS STORY.
"THESE SOURCES REPORT," THE NEWS AGENCY SAID, "THAT DE GAULLE ASSURED DULLES THAT HE WAS READY TO DEVIATE FROM HIS BRITISH TIE-UP AND FULFILL UNCONDITIONALLY ALL AMERICAN DEMANDS IF HE SHOULD COME TO POWER.
"IT ALSO BECAME KNOWN THAT PREMIER SCHUMAN AND FOREIGN MINISTER BIDAULT MADE GREAT EFFORTS ON THEIR OWN BEHALF TO CONVINCE THE AMERICANS OF THE ABILITY OF THE PRESENT FRENCH GOVERNMENT TO SATISFY ALL AMERICAN DEMANDS."
(DURING HIS STAY IN PARIS DULLES WAS ATTACKED FROM THE FLOOR OF THE FRENCH NATIONAL ASSEMBLY BY COMMUNIST DEPUTIES, WHO ACCUSEED HIM OF TRYING TO DICTATE TO THE FRENCH CABINET.)
ALL MOSCOW NEWSPAPERS ALSO PUBLISHED A TASS DISPATCH FROM LONDON TODAY ACCUSING THE AMERICAN AND BRITISH DELEGATIONS AT THE FOREIGN MINISTERS CONFERENCE OF "TRYING UNSUCCESSFULLY TO USE THE GERMAN REPARATIONS QUESTION IN THEIR OWN SMALLTIME DEMAGOGICAL GAME."
"NATURALLY," THE DISPATCH SAID, "RUSSIA CANNOT AGREE TO DEBATE THE QUESTION OF REPARATIONS SEPARATELY FROM ALL OTHER QUESTIONS."
THE NEWS AGENCY SAID BIDAULT WAS MERELY FOLLOWING THE LEAD OF BRITAIN AND THE UNITED STATES ON THE REPARATIONS QUESTION.
IN ADDITION TO THESE DISPATCHES PRAVDA PUBLISHED AN ARTICLE ATTACKING U.S. POLICY TOWARD LATIN AMERICA IN WHICH PAN-AMERICAN UNITY WAS DESCRIBED AS "A TYPICAL EXAMPLE OF THE COOPERATION BETWEEN A RIDER AND A HORSE."
THE ARTICLE WAS PUBLISHED UNDER THE HEADLINE "EXPANSION UNDER THE MASK OF COOPERATION."
DEC 1947

30.24- 14171

DEC 1947

SALONIKA, GREECE, DEC.11-(AP)-THE NEW UNITED NATIONS COMMITTEE ON THE BALKANS GOT AN APPEAL FROM RELATIVES TODAY FOR INTERVENTION ON BEHALF OF 72 PERSONS NOW AWAITING A COURT-MARTIAL VERDICT ON CHARGES OF PLOTTING A COMMUNIST UPRISING HERE. FIVE OF THE DEFENDANTS, ALL ON TRIAL FOR THEIR LIVES SINCE NOV.26, ARE WOMEN IN THEIR TWENTIES.
WW1102PES

Trieste add 1x rept. 14

sharp criticism of the sentences appeared first in the communist pro-yugoslav, italian language newspaper il lavoratore after the three men, described as pro-italian, were sentenced monday.

a hand grenade was tossed into the slovene club the same night and tuesday 3,000 communist dock workers staged a 30-minute protest strike and 500 demonstrators gathered before allied military government headquarters.

the military government said the trial judge was aloof from political prejudice and declared itself satisfied that the sentences conformed to the law.

DEC 1947

it decreed that the avowedly fascist italian social movement and the association of disabled veterans of benito mussolini's armies be disbanded, but denied petitions for the abolition of certain other groups on the ground that their activities constituted no threat to public order and security.

ve squiamm 2100 thru 2nd hdj 530pes

DEC 1947

FOLO JERUSALEM
CAIRO, DEC.11-(AP)-A RELIABLE ARAB S
COUNCIL" OF THE SEVEN-NATION ARAB LEAGU
SUPPLY A VOLUNTEER ARMY WITH WEAPONS AN
UNITED NATIONS DECISION TO PARTITION PA
THE INFORMANT SAID THAT THE ASSISTAN
"PEOPLE'S ARMY TO SAVE PALESTINE," WHIC
IN SYRIA AND LEBANON UNDER THE LEADERSH
JA804AES

DEC 1947

KAWKAZI, WHO WAS WOUNDED DURING THE
AND JOINED THE EXILED MUFTI OF JERUSALE
IN GERMANY DURING THE WAR. HE REAPPEAR
FEW MONTHS AGO.
ARAB PRIME MINISTERS AND FOREIGN MIN
THE MUFTI OF JERUSALEM AND SAW HIM AGAI
AT A DINNER GIVEN BY PRIME MINISTER NO
BRIG.I.N.CLAYTON, BRITISH FOREIGN OF
CALLED ON EMIR FEISAL OF SAUDI ARABIA A
TRANSJORDAN TODAY. RIFAI PASHA SAID CL
PERSONAL" AND WAS NOT CONNECTED WITH
AND BRITISH LEADERS ON THE PALESTINE QU
B447PES

DEC 1947

A BRITISH SENTRY AT A MILITARY HOSP
UPON BY FOUR JEWS. THE SENTRY RETURNED
ATTACKERS, AN OFFICIAL ANNOUNCEMENT SA
IN HAIFA, ONE IN A BRITISH ARMY AMMUNI
ARABS REPORTED SIX BOMBS FROM A JEWI
COFFEEHOUSE IN YAZUR, A VILLAGE ON THE
INJURING SEVERAL ARABS. YAZUR ARABS
KILLING THE DRIVER.
THE BODIES OF SIX MORE ARABS WERE
BORDERING THE BLOODY HATIKVAH QUARTER
JEWISH GUN BATTLE RAGED MONDAY NIGHT.
AREA WAS REPORTED QUIET.

DEC 1947

AN OFFICIAL PRESS RELEASE SAID MEMBERS OF THE JEWISH COMMUNITY IN PALESTINE WOULD BE GRANTED FIREARMS AND LICENSES AND "CHARGED WITH THE DUTY OF PREVENTING BREACHES OF THE PEACE" IN THE TEL AVIV-PETAHH TIQVA AREA.

FIFTY ADDITIONAL TEMPORARY POLICEMEN ALSO WILL BE POSTED IN ARAB JAFFA AND ARRANGEMENTS MADE FOR ATTESTING 60 SPECIAL CONSTABLES SELECTED BY THE JAFFA MUNICIPALITY, THE STATEMENT SAID.

THE PRESS RELEASE SUPPLEMENTED A COMMUNIQUE WHICH ANNOUNCED THE GOVERNMENT'S INTENTION TO WITHDRAW BRITISH AND ARAB SECURITY FORCES FROM THE PREDOMINANTLY JEWISH AREA. THAT WITHDRAWAL ALREADY HAS BEGUN.

THE JEWS TO BE ARMED, THE STATEMENT EXPLAINED, WOULD NOT BE GRANTED "ANY OF THE POWERS OR STATUS OF POLICE" AND THE ARMS WOULD BE USED "FOR PURPOSES OF SELF DEFENSE." THE JAFFA ARRANGEMENTS, IT SAID, ARE BEING MADE "PREPARATORY TO THE CREATION OF A LOCAL POLICE FORCE UNDER CONTROL OF THE MUNICIPALITY."

REPORTS FROM RAANANA, KFAR SABA AND OTHER COMMUNITIES IN SHARON, NORTH OF TEL AVIV, SAID JEWISH SETTLERS AND ARAB VILLAGERS MET DURING THE DAY TO DISCUSS THE PROSPECT OF ORGANIZING A FORCE OF JOINT ARAB-JEWISH GUARDS TO OPPOSE "GANG ATTACKS."

THE GOVERNMENT'S FIRST CASUALTY LIST OF THE HOLY LAND'S COMMUNAL STRIFE SHOWED 109 DEAD AND 435 INJURED. THIS LIST DID NOT INCLUDE THE DEATHS BETWEEN NOV. 29, WHEN THE U.N. GENERAL ASSEMBLY VOTED FOR PARTITION, AND DEC. 1 NOR THE 24 DEATHS REPORTED TODAY.

REPORTS OF ARAB PREPARATIONS FOR A SHOWDOWN TO PREVENT THE BIRTH OF A SEPARATE JEWISH STATE IN PALESTINE CAME FROM SEVERAL ARAB COUNTRIES. IN CAIRO THE "WAR COUNCIL" OF THE ARAB NATIONS WAS REPORTED TO HAVE AGREED ON MEASURES TO SUPPLY AN ARMY OF VOLUNTEERS WITH WEAPONS AND MONEY TO FIGHT AGAINST THE UNITED NATIONS DECISION.

AN INFORMANT SAID THE ASSISTANCE AGREED UPON WOULD GO TO A "PEOPLE'S ARMY TO SAVE PALESTINE" BEING GATHERED IN SYRIA AND LEBANON UNDER THE LEADERSHIP OF FAWZI BEY AL KAWKAZI, LEADER OF THE 1936 ARAB REVOLT IN PALESTINE.

REPORTS REACHING JERUSALEM SAID UNITS OF THIS "PEOPLE'S ARMY" HAVE MOVED UP TO THE NORTHERN AND NORTHEASTERN FRONTIERS WHERE PPALESTINE JOINS SYYRIA AND LEBANON.

A MESSAGE RECEIVED FROM SOUTHERN SYRIA SAID 20,000 TRIBESMEN, MOSTLY FIERCE DRUZE WARRIORS OUT OF THE HILL COUNTRY, HAD PACKED THEIR CAMELS AND HORSES WITH PROVISIONS OF WAR AND HAD MOVED TOWARD CAMPS A FEW MILES FROM THE HOLY LANDS'S BORDER.

THERE THESE TRIBESMEN ARE NEAR "MANEUVERING" SYRIAN AND LEBANON TROOPS WHO TOOK UP POSITIONS IN THE REGION TWO MONTHS AGO.

NEAR PALESTINE'S EASTERN BORDER, ITS LONGEST FRONTIER MARKED ONLY BY THE MUDDY RIVER JORDAN, AN ESTIMATED 2,000 TO 3,000 ARABS WERE ON THE MOVE. ARMED WITH RIFLES AND SOME MACHINEGUNS, THESE TRIBESMEN WERE SAID TO BE WITHIN STRIKING DISTANCE NOW OF THE JORDAN.

DY416PES

DEC 1947

DEC 1947

Jerusalem, Dec. 11-(AP)-A British officer of the Arab legion telephoned from Amman, Trans-Jordan today that Houghton P. Metcalf of Providence, R. I., missionary conductor of the bishop's school, "is perfectly safe and in no danger at all."

The officer branded as "untrue" reports [redacted] that Metcalf and Donald Sutton, a member of the school staff, had been endangered by a mass demonstration in Amman protesting the partition of Palestine.

"Some of the [redacted] students went on strike and paraded around town and two or three windows in the school were smashed," the officer said, "But in the end it was the Arabs themselves who cordoned the school and told the demonstrators to lay off. Since then, the situation has been entirely normal in Amman and both Metcalf and Sutton walk around the city as they have for years."

DEC 1947

30.24- 14173

PALESTINE SEPARATE

DEC 1947

JERUSALEM, Dec. 11-(AP)-A close associate said tonight Mohammed Subhi Gharvieh, [redacted] prominent in the Palestine Arab revolt of the late thirties, was in serious condition from a bullet wound in the head suffered in today's Arab-Jewish fighting in Jerusalem's old city. The associate said he was an aide to the mufti at the time of the revolt.

apl jerusalem 71845 wno 811p

JERUSALEM, DEC 11-(AP)-AN ARAB BAND OCCUPIED A SYNAGOGUE IN THE OLD CITY OF JERUSALEM THIS MORNING AND HOISTED AN ARAB FLAG BEFORE HAGANA STEN GUNNERS DROVE THEM OUT.

IN HAIFA, A NIGHT OF COMMUNAL KNIFE AND GUN CLASHES WAS CLIMAXED BY THREE EXPLOSIONS, ONE IN A BRITISH ARMY AMMUNITION DUMP. THERE WERE NO FATALITIES.

IN THE NEGEB, SOUTHERN DESERT, JEWISH SETTLERS REPORTED THAT "SABOTEURS" PUNCTURED THE WATER PIPE LINE SUPPLYING SCATTERED SETTLEMENTS. THE BREAKS WERE REPAIRED.

M422AES

DEC 1947

NEW DELHI, DEC. 11--(AP)--INDIAN ARMY PLANES BLASTED AT PAKISTAN TRIBAL RAIDERS FUEL DUMPS NEAR JHANGAR IN JAMMU PROVINCE TODAY, THE INDIAN DEFENSE MINISTRY COMMUNIQUE SAID. SMOKE RISING MORE THAN A THOUSAND FEET WAS REPORTED SEEN.

DEC 1947

IN OTHER CONTINUED FIGHTING IN KASHMIR STATE BETWEEN INDIAN ARMY TROOPS AND FRONTIER TRIBESMEN FROM PAKISTAN THE COMMUNIQUE REPORTED "HEAVY" CASUALTIES SUFFERED BY THE LATTER IN REPEATED ATTEMPTS TO RECAPTURE URI ON THE BARAMULA-POONEL ROUTE.

THREATS BY RAIDERS TO AKHNUR, VITAL CENTER 15 MILES FROM JAMMU CITY KASHMIR'S WINTER CAPITAL, ARE BEING SUCCESSFULLY REMOVED, THE COMMUNIQUE SAID.

RICARDO LEVENE, PRESIDENT OF THE NATIONAL ACADEMY OF HISTORY, TELEGRAPHED ARGENTINE AMBASSADOR OSCAR IVANISSEVICH IN WASHINGTON, INFORMING HIM OF THE ACADEMY'S "SUPPORT OF YOUR PROTEST ON THE OFFENSIVE WORDS AGAINST THE MEMORY OF SAN MARTIN, THE SYMBOL OF THE AMERICANISM, UNION AND PEACE OF THE FREE NATIONS OF THE HEMISPHERE."

G150PES

PRECEDE NANKING NIGHT LEAD CHINESE WAR

BY SPENCER MOOSA

DEC 1947

PEIPING, FRIDAY, DEC.12-(AP)-CHINESE COMMUNISTS HAVE CUT THE RAILWAY NORTH TO MUKDEN, MANCHURIA, IN EIGHT PLACES, GOVERNMENT SOURCES ACKNOWLEDGED TODAY -- AS GOVERNMENT GEN. FU TSO-YI ARRIVED BY AIR TO INSPECT HIS NORTH-CHINA COMMAND.

THE NEW RED FORAYS, WHICH EXTENDED SOUTH OF THE GREAT WALL INTO CHINA PROPER, PREVENTED EXPECTED RESUMPTION OF PEIPING-MUKDEN TRAFFIC.

(FROM TSINAN, IN NORTH CHINA'S SHANTUNG PROVINCE, ASSOCIATED PRESS CORRESPONDENT HAROLD K. MILKS REPORTED DIRECT RAIL SERVICE FROM TSINAN TO NEAR NANKING HAD JUST BEEN REOPENED FOR THE FIRST TIME IN NEARLY TWO YEARS, "THROUGH A 400-MILE CORRIDOR SWEPT CLEAN OF COMMUNISTS."

(AN 11-CAR SPECIAL "BLUE EXPRESS" MADE THE FIRST TRIP, HE SAID, PRECEDED AND FOLLOWED AT TIMES BY ARMORED TRAINS AND CARRYING GUARDS WITH SUBMACHINE GUNS. MILKS ACCOMPANIED A PARTY OF OFFICIALS, INCLUDING CHINA'S MINISTER OF ECONOMIC AFFAIRS, CHEN CHI-TIEN.

(GENERAL MANAGER S. G. CHEN PROMISED THE RAILWAY COULD RESUME SERVICE FROM TSINAN ON TO TIENTSIN WITHIN 60 DAYS AFTER GOVERNMENT ARMIES COULD "GUARANTEE SECURITY" FROM RED RAIDERS. CHIEF ENGINEER H. T. WANG SAID 84 DAMAGED BRIDGES STILL MUST BE REPLACED ON THE SECTION NOW IN USE. TEMPORARY REPAIRS HAVE ENABLED RESUMPTION OF TRAFFIC.")

GEN. HSU CHI-MING, CHIEF OF STAFF OF THE GOVERNMENT HEADQUARTERS

IN PEIPING, TOLD NEWSMEN TODAY REDS WERE BEING CLEARED FROM THE FLANKS OF ANOTHER RAIL ROUTE, FROM PEIPING TO PAOTING (TSINGYUAN, 90 MILES SOUTHWEUT), AND FROM THE TRIANGULAR NORTH-CHINA AREA BOUNDED BY PEIPING, TIENTSIN AND PAOTING.

(THIS CLAIM HAS BEEN MADE MANY TIMES IN THE PAST TWO YEARS, BUT RED TROOPS REMAIN A MENACE THERE.)

DEC 1947

EJ1124PCS NM

BAGUIO, PHILIPPINES, DEC. 11-(AP)-THE PHILIPPINE ADMINISTRATION WILL ASK ITS CONGRESS NEXT MONTH FOR LUXURY TAXES ON NON-ESSENTIAL COMMODITIES FROM THE UNITED STATES, TO CONSERVE THE REPUBLIC'S DOLLAR EXCHANGE, PRESIDENT MANUEL A.ROXAS SAID TODAY.

HE MENTIONED SPECIFICALLY A $10,000,000 (MILLION) EXPENDITURE FOR FRUIT FROM THE PACIFIC COAST OF THE U.S.

FINANCE SECRETARY MIGUEL CUADERNO SAID THE MOVE IS IN LINE WITH RECOMMENDATIONS OF THE JOINT PHILIPPINE-AMERICAN FINANCIAL COMMISSION, AND IS PARTICULARLY NECESSARY NOW WITH UNITED STATES PRICES RISING SHARPLY.

THE REPUBLIC MUST STRIKE A BALANCE, HOWEVER, AND NOT CUT DOWN THE IMPORT OF CONSUMER GOODS TO THE POINT WHERE THE INCENTIVE TO PRODUCE AND SELL EXPORT COMMODITIES IS LOST, HE SAID.

RA&VR156ACS

OTTAWA, DEC.11-(AP)-FINANCE MINISTER DOUGLAS ABBOTT ANNOUNCED TONIGHT A NEW AND MORE GENEROUS SCHEME FOR PAYING BONUSES TO CANADIAN GOLD PRODUCERS OVER THE NEXT THREE YEARS.

HE TOLD THE HOUSE OF COMMONS THE GOVERNMENT WAS ABANDONING ITS RECENTLY-ANNOUNCED PROPOSAL TO PAY $7 FOR EACH FINE OUNCE OF GOLD IN EXCESS OF THAT PRODUCED IN THE YEAR ENDED JUNE 30, 1947, BECAUSE OF OBJECTIONS FROM THE MINING INDUSTRY AND THE INTERNATIONAL MONETARY FUND.

INSTEAD, THE PAYMENT WILL BE DETERMINED, HE SAID, BY TAKING HALF OF THE AMOUNT BY WHICH THE MINE'S CURRENT COST OF GOLD PRODUCTION EXCEEDS $18 A FINE OUNCE AND APPLYING THIS TO THE AMOUNT BY WHICH PRODUCTION IN THE CURRENT YEAR EXCEEDS TWO-THIRDS OF PRODUCTION IN THE BASE YEAR, THE 12 MONTHS ENDED LAST JUNE 30.

DEC 1947

WW947PES

FIRST LEAD GOLD (430)

OTTAWA, DEC.11-(AP)-THE CANADIAN GOVERNMENT ANNOUNCED A NEW PLAN TONIGHT TO SUBSIDIZE GOLD PRODUCTION FOR THE NEXT THREE YEARS IN ORDER TO BUILD UP ITS DEPLETED GOLD RESERVES AS A MEANS OF PAYING FOR MORE IMPORTS.

FINANCE MINISTER DOUGLAS ABBOTT MADE THE ANNOUNCEMENT IN THE HOUSE OF COMMONS. HE SAID THE NEW PLAN WOULD REPLACE ANOTHER WHICH WAS BROACHED RECENTLY BUT WHICH DREW OBJECTIONS FROM MINE OWNERS AND THE INTERNATIONAL MONETARY FUND.

UNDER THE ABANDONED PLAN, THE GOVERNMENT WOULD HAVE PAID A BONUS OF $7 FOR EACH FINE OUNCE OF GOLD PRODUCED IN EXCESS OF THE OUTPUT FOR THE YEAR ENDED JUNE 30,1947.

UNDER THE NEW SYSTEM, AS ABBOTT OUTLINED IT, THE BONUS WILL BE HALF THE AMOUNT BY WHICH A MINE'S CURRENT COST OF PRODUCTION TOPS $18 A FINE OUNCE, AND IT WILL BE PAID ON EACH FINE OUNCE PRODUCED IN EXCESS OF TWO-THIRDS OF THE OUTPUT FOR THAT YEAR.

BOTH THE UNITED STATES AND CANADA BUY CANADIAN GOLD AT A FIXED PRICE OF $35 AN OUNCE. THE FIXED PRICE LIMITS PROFIT WHEN PRODUCTION COSTS RUN TO MORE THAN $18 AN OUNCE.

THE ORIGINAL PROPOSAL WAS ANNOUNCED AT THE SAME TIME AS THE GOVERNMENT EXCHANGE CONSERVATION PROGRAM RESTRICTING IMPORTS. THE FINANCE MINISTER SAID HE HOPED THE NEW PLAN WOULD CONTRIBUTE TO RESTORATION OF DEPLETED GOLD RESERVES.

DEC 1947

ABBOTT TOOK NO NOTICE OF REPORTS FROM WASHINGTON INDICATING THAT THE U.S. TREASURY FROWNED ON CANADA'S ENCOURAGING GOLD PRODUCTION BECAUSE THE TREASURY WAS NOT ANXIOUS TO STEP UP THE RATE OF ITS FOREIGN GOLD PURCHASES.

HE SAID THE INTERNATIONAL MONETARY FUND BELIEVED THE PAYMENT OF A FIXED AMOUNT PER EXTRA OUNCE OF GOLD, AS UNDER CANADA'S FIRST PLAN, MIGHT CONSTITUTE AN INCREASE IN THE GOVERNMENT'S PRICE FOR GOLD. THIS WOULD BE CONTRARY TO THE FUND AGREEMENT.

A120

(IN WASHINGTON, THE MONETARY FUND ISSUED A STATEMENT EXPRESSING APPROVAL OF CANADA'S NEW SUBSIDY PLAN BUT SAYING THE FUND WOULD NOT NECESSARILY APPROVE SIMILAR GOLD POLICIES WHICH MIGHT "UNDERMINE OR THREATEN TO UNDERMINE" EXCHANGE STABILITY.

("THE FUND HAS DETERMINED THAT IN THE PRESENT CIRCUMSTANCES THE PROPOSED CANADIAN ACTION IS NOT INCONSISTENT WITH THE POLICY STATED BY THE FUND," THE STATEMENT SAID.

(THE STATED POLICY REFERRED TO IS THAT GOLD PRODUCTION SUBSIDIES ARE INCONSISTENT WITH THE FUND'S ARTICLES OF AGREEMENT "IF THEY UNDERMINE OR THREATEN TO UNDERMINE EXCHANGE STABILITY.")

ABBOTT SAID THE GOLD MINING INDUSTRY HAD OBJECTED THAT THE ORIGINAL PROPOSAL WOULD NOT PREVENT CONTINUED DETERIORATION OF THE INDUSTRY, THE CLOSING DOWN OF ADDITIONAL MINES AND CONSEQUENT HARDSHIP TO MANY NORTHERN MINING COMMUNITIES.

DEC 1947

(IN TORONTO, N.F.PARKINSON, EXECUTIVE DIRECTOR OF THE ONTARIO MINING ASSOCIATION, SAID HE DOUBTED THAT THE EFFECT OF THE NEW PLAN WOULD BE GREAT. HE SAID HE WANTED TO KNOW WHAT THE GOVERNMENT MEANT BY COST OF PRODUCTION--(2835834 85 .3-,5 .343)6 9034-58,& 3/03,'3' 94 297)$ 8,:)7$3 ?7$&358,& !94 ,32 $3;3)90.3,5, WRITE-OFF FOR DEPRECIATION AND OTHER ITEMS TOO

(NO PICKUP)

WW1134PES

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(250) FOLO OTTAWA GOLD

WASHINGTON,DEC 11-(AP -THE WORLD MONETARY FUND TONIGHT GAVE APPROVAL "IN THE PRESENT CIRCUMSTANCES" TO THE CANADIAN GOVERNMENT'S DECISION TO SUBSIDIZE GOLD PRODUCTION.

AT THE SAME TIME, THE FUND SERVED NOTICE THAT IT WOULD NOT NECESSARILY APPROVE SIMILAR GOLD POLICIES WHICH MIGHT "UNDERMINE OR THREATEN TO UNDERMINE" EXCHANGE STABILITY.

CANADA HAS A TRADE DEFICIT WITH THIS COUNTRY AT THE PRESENT TIME. BY INCREASING THE MINING OF GOLD, IT COULD OFFER IT FOR SALE TO THE

DEC 1947 30.24-14175

UNITED STATES AT THE STANDARD PRICE OF $35 AN OUNCE, THUS HELPING BUILD UP THE CANADIAN DOLLAR SUPPLY.

A STATEMENT ISSUED BY THE FUND SAID:

DEC 1947

"THE CANADIAN GOVERNMENT HAS CONSULTED WITH THE FUND REGARDING ITS PROPOSED GOLD PRODUCTION SUBSIDY AND HAS TODAY MADE AN ANNOUNCEMENT ON THIS SUBJECT.

"THE FUND HAS EXAMINED THE PRESENT CANADIAN PROPOSAL IN THE LIGHT OF ITS OWN GENERAL STATEMENT OF POLICY PUBLISHED TODAY.

"THE FUND HAS DETERMINED THAT IN THE PRESENT CIRCUMSTANCES THE PROPOSED CANADIAN ACTION IS NOT INCONSISTENT WITH THE POLICY STATED BY THE FUND."

THE POLICY STATEMENT REFERRED TO SAID THAT GOLD PRODUCTION SUBSIDIES "REGARDLESS OF THEIR FORM" ARE INCONSISTENT WITH THE FUND'S ARTICLES OF AGREEMENT "IF THEY UNDERMINE OR THREATEN TO UNDERMINE EXCHANGE STABILITY."

"THIS WOULD BE THE CASE, FOR EXAMPLE, IF SUBSIDIES WERE TO CAST WIDESPREAD DOUBT ON THE UNIFORMITY OF THE MONETARY VALUE OF GOLD IN ALL MEMBER COUNTRIES," THE STATEMENT SAID.

GW/GG1048PES

WASHINGTON,DEC 11-(AP)-TWO CALIFORNIA REPRESENTATIVES TODAY URGED THE SENATE APPROPRIATIONS COMMITTEE TO APPROVE A HOUSE AMENDMENT TO THE INTERIM EUROPEAN AID BILL REQUIRING THAT SOME SUBSTITUTE FOODS BE USED IN PLACE OF GRAIN AND TO EARMARK FUNDS FOR THE PURPOSE.

REP.ANDERSON (R-CALIF) SAID THE AMENDMENT WOULD MAKE IT MANDATORY THAT SURPLUS FOODS BE USED IN THE PROGRAM, AND THAT IT ALSO MADE PROVISION FOR THE COMMODITY CREDIT CORPORATION TO BE REIMBURSED FOR ANY LOSS IT MIGHT SUSTAIN IN SELLING THE FOODS.

A SIMILAR AMENDMENT, OFFERED BY SENATOR KNOWLAND (R-CALIF) WAS APPROVED BY THE SENATE. HOWEVER, IT GAVE ONLY PERMISSIVE AUTHORITY TO SUBSTITUTE FOR GRAIN SUCH FOODS AS DRIED EGGS, DRIED

DEC 1947

FRUITS AND CITRUS JUICES.

BOTH AMENDMENTS WOULD ENABLE THE CCC TO SELL FOODSTUFFS HELD IN SURPLUS FOR FOREIGN RELIEF AND USE IN ARMY OCCUPIED AREAS AT A COST BASED ON THE CALORIC CONTENT OF THE COMMODITIES IN RELATION TO WHEAT. THIS COULD BE BELOW THE PRICE PAID BY THE CCC FOR THE COMMODITIES UNDER THE AGRICULTURAL PRICE-SUPPORT PLAN.

WHEN THE SENATE APPROVED HIS AMENDMENT, KNOWLAND SAID SECRETARY OF AGRICULTURE ANDERSON HAD ESTIMATED SUCH A PROVISION MIGHT SAVE AS MUCH AS 100,000,000 BUSHELS OF GRAIN.

BOTH KNOWLAND AND SENATOR HAYDEN (D-ARIZ) AGREED THAT THE HOUSE LANGUAGE WAS A "MATERIAL IMPROVEMENT" OVER THE SENATE PROVISION AND KNOWLAND LATER TOLD REPORTERS HE THOUGHT IT WOULD BE ACCEPTED BY THE SENATE.

SECRETARY OF THE ARMY ROYALL TOLD THE COMMITTEE THAT THE ARMY ENDORSED THE USE OF GRAIN SUBSTITUTES AND WANTED TO USE THE "MAXIMUM POSSIBLE."

REP.PHILLIPS (R-CALIF) TOLD THE COMMITTEE THAT THE USE OF SUBSTITUES WOULD BE BENEFICIAL ECONOMICALLY AND ALSO PRODUCE A MORE NUTRITIONAL AND BALANCED DIET.

HY847PES

(350) (ADVANCE FOR AMS OF FRIDAY, DEC.12; RADIO RELEASE 10:30 P.M. EASTERN STANDARD TIME TONIGHT, THURSDAY, DEC.11)

(ADVANCE) WASHINGTON, DEC.11-(AP)-REP. KARL E.MUNDT (R-SD) ADVOCATED TONIGHT THAT THE UNITED STATES ADOPT A FIRM RECIPROCITY PROGRAM IN ITS RELATIONS WITH RUSSIA--"MAKE NO CONCESSIONS AND YIELD NO PRIVILEGES TO RUSSIANS WHICH THEY ARE UNWILLING TO GRANT TO AMERICANS."

HE ADVANCED THAT PROPOSAL AS PART OF A FOUR-POINT FORMULA FOR DEVELOPING "AN AFFIRMATIVE AMERICAN FOREIGN POLICY OF POSITIVE ACTION AND CONSISTENT PROCEDURE WHICH EVEN YET CAN WIN THE PEACE."

IN A SPEECH PREPARED FOR NATIONWIDE BROADCAST (ABC), THE FOREIGN AFFAIRS COMMITTEEMAN ALSO URGED THAT THE UNITED STATES:

1. CEASE EXPORTING TO COMMUNIST COUNTRIES SUPPLIES OF WHICH FREE COUNTRIES ARE CRITICALLY SHORT OR EQUIPMENT WHICH CAN BE ADAPTED TO WAR PURPOSES.

2. ESTABLISH AND OPERATE AN INFORMATION SERVICE OVERSEAS "WHICH WILL NOT ONLY PRESENT THE POSITIVE VIRTUES OF FREEDOM AS PRACTICED IN AMERICA BUT WHICH WILL ALSO ANSWER AND EXPOSE THE FALSE ALLEGATIONS AND ACCUSATIONS OF THE NOISY COMMUNIST PROPAGANDA MACHINE."

3. PROVIDE VIGOROUS LEADERSHIP IN THE UNITED NATIONS "SO THAT ORGANIZATION CAN ACHIEVE ITS PURPOSE OF COLLECTIVE SECURITY RATHER THAN DEGENERATING INTO A NAME-CALLING SOCIETY IN WHICH WARS CAN BE INCUBATED MORE EASILY THAN THEY CAN BE OUTLAWED."

MUNDT SAID THAT ALTHOUGH THERE HAVE BEEN SOME ENCOURAGING DEVELOPMENTS, THE ADMINISTRATION STILL IS "DISMALLY PURSUING SOME OF THE SAME APPEASEMENT POLICIES AND HANG-DOG APOLOGETIC PROGRAMS THAT CONTRIBUTED SO SUBSTANTIALLY TO THE SERIOUSNESS OF OUR PRESENT SITUATION."

FOR EXAMPLE, HE SAID, THE STATE DEPARTMENT HAS GRANTED MORE THAN 3,000 VISAS TO VISITING RUSSIANS, DURING A YEAR WHEN THE U.S.S.R. REFUSED TO PERMIT THE SENATE APPROPRIATIONS COMMITTEE TO VISIT THE EMBASSY AT MOSCOW.

HE ALSO DECLARED THAT THE ADMINISTRATION IS NOT USING AVAILABLE EXPORT CONTROLS TO PREVENT SHIPMENT OF "WAR POTENTIALS" TO THE SOVIET.

MUNDT SAID HE IS GLAD THAT SECRETARY OF STATE MARSHALL "AT LONG LAST IS LETTING THE RUSSIANS UNDERSTAND THAT THERE MAY BE AN END TO AMERICAN APPEASEMENT." HE LISTED AS ANOTHER ENCOURAGING DEVELOPMENT THE MARSHALL PLAN FOR EUROPEAN AID.

(END ADVANCE FOR AMS OF FRIDAY, DEC. 12; RADIO RELEASE 10:30 P.M. EASTERN STANDARD TIME TONIGHT, THURSDAY, DEC.11)

VH807PES

DEC 1947

WASHINGTON, DEC.11-(AP)-AMERICAN OCCUPATION OFFICIALS IN GERMANY WERE ADVISED BY SENATOR BALL (R-MINN) TODAY TO "CLEAN OUT COMMUNISTS" FROM GERMAN LABOR LEADERSHIP AND GUARD AGAINST BRITISH INFLUENCE IN FAVOR OF "SOCIALIZATION" OF GERMAN INDUSTRY.

BALL ADVANCED BOTH IDEAS AT A LENGTHY SESSION OF THE SENATE APPROPRIATIONS COMMITTEE CONSIDERING THE FOREIGN AID PROGRAM.

THE MINNESOTAN TOLD ARMY OFFICERS WHO GOVERN THE AMERICAN ZONE IN GERMANY THEY SHOULD APPLY SOMETHING "SIMILAR TO THE TAFT-HARTLEY ACT" PROVISION WHICH REQUIRES UNION LEADERS TO DENY COMMUNISM IN ORDER TO BENEFIT UNDER FEDERAL LABOR LAWS.

BALL SAID THAT "IN VIEW OF WHAT'S HAPPENING IN FRANCE AND ITALY" STEPS SHOULD BE TAKEN TO REMOVE ANY COMMUNISTS FOR 1947 ERSHIP IN GERMAN LABOR.

DEC

SECRETARY OF ARMY ROYALL TOLD SENATORS THAT AMERICAN LABOR LEADERS, BOTH AF OF L AND CIO, HAD BEEN SENT TO GERMANY AND WERE "VERY HELPFUL IN COMBATTING COMMUNISM THERE."

ROYALL MADE NO REPLY TO PROPOSAL FOR EXTENDING THE "ANTI-COMMUNISM" PROVISIONS OF THE TAFT-HARTLEY LAW BUT WILLIAM DRAPER, UNDERSECRETARY, SAID IT WOULD BE CONSIDERED.

VH-HY840PES

WASHINGTON, DEC 11-(AP)-LT. GENERAL THOMAS E. WATSON, NAMED COMMANDING GENERAL FLEET MARINE FORCE, PACIFIC, WILL TAKE OVER HIS NEW DUTIES ABOUT JAN. 1, MARINE CORP HEADQUARTERS SAID TODAY.

GEN. WATSON SUCCEEDS LT. GENERAL ALLEN H. TURNAGE, COMMANDED THE FAMOUS SECOND MARINE DIVISION IN THE BATTLE FOR SAIPAN AND TINIAN DURING THE WAR. RECENTLY HE HAS BEEN IN COMMAND OF THE MARINE BASE AT CAMP LA JEUNE, N.C.

FIFTY-FIVE, GEN. WATSON JOINED THE MARINES 35 YEARS AGO AS AN ENLISTED MAN. HE HAS TWICE BEEN AWARDED THE DISTINGUISHED SERVICE MEDAL.

PF529PES

SEATTLE, DEC.11-(AP)-DR. JACOB E. VAN (SMALL V) HOOGSTRATEN, ECONOMIC DIRECTOR OF THE NETHERLANDS EAST INDIES, SAID TODAY THAT PREMIER LOUIS BEEL OF THE NETHERLANDS AND THREE OF HIS CABINET MEMBERS WILL MEET WITH INDONESIAN LEADERS NEAR BATAVIA NEXT WEEK IN AN ATTEMPT TO SETTLE POLITICAL DIFFICULTIES IN THE INDONESIAN REPUBLIC. 1947

DEC

THE MEETING WILL BE ABOARD THE UNITED STATES TRANSPORT RENVILLE, HE SAID. DR. VAN HOOGSTRATEN, HERE FOR A TWO-DAY VISIT, SPOKE AT A NOON LUNCHEON OF THE BUSINESS EXECUTIVES' SEMINAR OF THE INSTITUTE OF PACIFIC RELATIONS. HIS INFORMATION CAME FROM HIS NEW YORK OFFICE, HE SAID.

"I BELIEVE THAT OUT OF THIS MEETING WILL COME A SOLUTION TO THE PROBLEMS IN INDONESIA," HE SAID.

IN HIS OPINION, SUCH A SETTLEMENT WOULD BRING GREAT "ECONOMIC OPPORTUNITY" FOR AMERICAN BUSINESS, PARTICULARLY ON THE PACIFIC COAST.

HE LISTED THE CABINET MEMBER WHO WILL ATTEND THE MEETING AS WILLIAM DRESS, MINISTER OF SOCIAL AFFAIRS, JAN JONKMAN, MINISTER OF OVERSEAS TERRITORIES, AND LAMBERTUS NEHER, MINISTER OF RECONSTRUCTION, ALL OF THE LABOR PARTY.

DR. VAN HOOGSTRATEN AND HIS WIFE WILL LEAVE TOMORROW FOR SAN FRANCISCO. HE WILL RETURN TO BATAVIA IN FEBRUARY AFTER A TRIP TO HOLLAND.

FJ825PCS

WITH STASSEN-PAULEY

CHICAGO, DEC.11-(AP)-HAROLD E. STASSEN TONIGHT DECLARED "INFLATIONARY STATEMENTS" BY ADMINISTRATION OFFICIALS HAD CAUSED "UNECESSARY" BOOSTS OF COMMODITY PRICES.

DEC 1947

THE REPUBLICAN PRESIDENTIAL ASPIRANT, ADDRESSING A GOP RALLY IN SUBURBAN WINNETKA, ASSERTED:

"ON FEBRUARY 13TH, THE DEPARTMENT OF AGRICULTURE SUDDENLY OVERNIGHT GRANTED GREAT BRITAIN A SPECIAL ALLOCATION OF 1,200,000 (MILLION) HUNDREDWEIGHT OF FLOUR FOR THE SECOND QUARTER OF 1947. FUTURES OF WHEAT ADVANCED THREE AND ONE-HALF CENTS PER BUSHEL THE NEXT DAY AND THE ADVANCE WAS SOON REFLECTED IN THE COST OF FLOUR.

"ON MARCH 1, 1947, BEFORE THE MARKET OPENED THE PRESIDENT IN A MEETING OF THE CABINET COMMITTEE ON FOOD ISSUED A REPORT CALLING FOR GRAIN AND FLOUR SHIPMENTS IN THE MONTHS OF MAY AND JUNE AND MARCH FUTURES THAT DAY ADVANCED SEVEN CENTS.

"ON SEPTEMBER 8, 1947, AN OFFICIAL OF THE COMMODITY CREDIT CORPORATION WAS QUOTED AS SAYING THAT GOVERNMENT OFFICIALS HANDLING THE EXPORT PROGRAM WERE RESIGNED TO $4.00 WHEAT IN THE SPRING OF 1948 AND THE NEXT DAY THE MARKET ADVANCED EIGHT AND THREE-QUARTERS CENTS.

THE FORMER MINNESOTA GOVERNOR THEN ADDED:

"IN NEARLY ALL INSTANCES THESE INFLATIONARY STATEMENTS WERE PRECEDED BY AN UNUSUAL AMOUNT OF SPECULATION BUYING. WHEN THIS OCCURS THE PRICES ARE PUSHED UP AN ADDITIONAL AND UNNECESSARY AMOUNT."

MOST OF STASSEN'S SPEECH TONIGHT WAS A REITERATION OF CHARGES MADE LAST NIGHT IN DOYLESTOWN, PA., WHERE HE ACCUSED GOVERNMENT "INSIDERS" OF PROFITING IN FOOD SPECULATION.

KK1135PCS NM

NIGHT LEAD

NEW YORK, DEC.11-(AP)-A COURSE ON RUSSIAN CULTURAL AND ECONOMIC DEVELOPMENT, SPONSORED BY THE AMERICAN-RUSSIAN INSTITUTE AS PART OF A LECTURE PROGRAM OFFERED NEW YORK CITY TEACHERS, WAS DISCONTINUED TODAY AND AN INSTITUTE SPOKESMAN SAID THE ACTION WAS A "BY-PRODUCT OF THE TEMPER OF THE TIMES."

DEC 1947

DR. WILLIAM JANSEN, SUPERINTENDENT OF SCHOOLS, AND OTHER OFFICIALS SAID THE STEP WAS TAKEN FOLLOWING CRITICISM OF THE INSTITUTE BY SEVERAL PUBLICATIONS, WHICH WENT UNANSWERED EVEN THOUGH SCHOOL AUTHORITIES REQUESTED THAT THE INSTITUTE GIVE A REPLY.

LATER, THE INSTITUTE ISSUED A STATEMENT QUOTING DR. HARLOW SHAPLEY, A TRUSTEE, AS SAYING HE UNDERSTOOD THAT THE BOARD OF TRUSTEES "WOULD NOT DIGNIFY THE JOURNALS MAKING THESE IRRELEVANT ATTACKS WITH A REPLY."

DR. SHAPLEY ALSO WAS QUOTED IN THE STATEMENT AS SAYING:

"FOR THREE YEARS THE INSTITUTE HAS SERVED THE NEW YORK CITY SCHOOL TEACHERS IN PROVIDING COURSES ON THE CULTURAL, GEOGRAPHIC AND ECONOMIC STRUCTURE OF THE SOVIET UNION. THESE COURSES HAVE BEEN ARRANGED EACH TIME WITH OFFICIAL IN-SERVICE ACCREDITIZATION BY THE BOARD OF SUPERINTENDENTS AND THIS YEAR'S COURSE DIFFERS IN NO WAY FROM THAT OF PRECEDING YEARS X X X. THE DIFFICULTIES X X X HAVE DOUBTLESS ARIZEN, PERHAPS NATURALLY, AS A BY-PRODUCT OF THE TEMPER OF THE TIMES."

WW1144PES

30.24- 14177

DEC 1947

NEW YORK, DEC. 11-(AP)-SHIPMENT OF RELIEF PACKAGES BY CARE, INC., TO ROMANIA HAS BEEN SUSPENDED, THE NON-PROFIT AGENCY SAYS, BECAUSE THE ROMANIAN GOVERNMENT HAD ATTEMPTED TO COLLECT CUSTOMS ON CARE PACKAGES, TRIED TO CONTROL DISTRIBUTION AND ARRESTED A CARE REPRESENTATIVE.

DESPITE AN AGREEMENT WITH THE AGENCY, ROMANIA HAMPERED PACKAGE DELIVERIES AND EVEN SUBJECTED BENEFICIARIES TO QUESTIONING, PAUL COMLY FRENCH, EXECUTIVE DIRECTOR OF CARE (THE COOPERATIVE FOR AMERICAN REMITTANCES TO EUROPE), SAID LAST NIGHT.

FRENCH SAID THE AGENCY WOULD ACCEPT NO FURTHER ORDERS FOR ROMANIA AND THAT MONEY NOW WAS BEING REFUNDED TO THOSE WHO PAID FOR PACKAGES WHICH COULD NOT BE DELIVERED.

PROTESTS TO THE ROMANIAN GOVERNMENT, DIRECTLY AND THROUGH DIPLOMATIC CHANNELS, HAD BEEN "UNAVAILING," FRENCH SAID, ADDING THAT CARE BEGAN ITS OPERATIONS IN THAT COUNTRY "AT THE URGENT REQUEST OF THE ROMANIAN GOVERNMENT."

THE DECISION "IS THE MORE REGRETTED," HE DECLARED, "BECAUSE CARE HAS NO DOUBT AS TO THE CONTINUED NEED OF THE ROMANIAN PEOPLE."

VS517AES

NEW YORK, DEC. 11-(AP)-IF THE UNITED NATIONS IS TO SERVE ITS PURPOSE PROPERLY IN KEEPING WORLD PEACE, THE MAJOR POWERS MUST REACH AN UNDERSTANDING, U.N. SECRETARY-GENERAL TRYGVE LIE SAID LAST NIGHT.

SOME OF THE DIFFERENCES BETWEEN NATIONS, HE SAID IN A SPEECH AT THE SEVENTH ANNUAL DINNER OF THE AMERICAN NOBEL ANNIVERSARY COMMITTEE, MUST BE SETTLED OUTSIDE THE INTERNATIONAL ORGANIZATION.

THIS IS TRUE, HE SAID, "IN THE CASE OF THE PEACE TREATIES. IT ALSO IS TRUE OF MANY DOMESTIC DISTURBANCES WHICH NOW SERVE TO PREVENT THE WORLD FROM SETTLING DOWN TO A FAIRLY NORMAL EXISTENCE."

"WHERE THE NECESSARY NUMBER OF NATIONS DECIDES TO DO SO," LIE ADDED, "THE UNITED NATIONS ITSELF CAN STEP IN FROM TIME TO TIME TO SETTLE INTERNATIONAL DISTURBANCES OR TO CORRECT SITUATIONS WHICH MAY LEAD TO A THREAT TO THE PEACE."

DEC 1947

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NIGHT LEAD U.N. CENTERS

LAKE SUCCESS, DEC.11-(AP)-TRYGVE LIE, SECRETARY-GENERAL OF THE UNITED NATIONS, ANNOUNCED TONIGHT THE APPOINTMENT OF MICHAEL S.VAVILOV A RUSSIAN NATIONAL, AS ACTING DIRECTOR OF A U.N. INFORMATION CENTER TO BE SET UP IN MOSCOW IN JANUARY.

VAVILOV, NOW FIRST SECRETARY OF THE SOVIET EMBASSY IN WASHINGTON, SERVED AS SOVIET CONSUL GENERAL IN SAN FRANCISCO AND WAS AN ADVISOR TO THE RUSSIAN DELEGATION TO THE UNITED NATIONS CHARTER CONFERENCE THERE IN 1945.

WW928PES

[illegible] ONE SUGGESTED WAY TO PLACE A CENTER IN THE AFRICA-MIDDLE EAST REGION WOULD BE THROUGH UTILIZATION OF THE PRESS-INFORMATION STAFF WHICH WILL BE SENT INTO PALESTINE WITH THE PARTITION COMMISSION. THE DUTIES OF THE PRESS OFFICER EVENTUALLY WILL INCLUDE PROPAGANDIZING FOR THE U.N. AND IT IS POSSIBLE THAT THE PROJECTED INTERNATIONAL CITY OF JERUSALEM MIGHT BE SELECTED FOR AN INFORMATION CENTER. ANY DECISION ON THIS WOULD LIE WELL IN THE FUTURE, HOWEVER, ONE AUTHORITY SAID.

THE MOSCOW OFFICE WILL BE UNDER THE SUPERVISION OF A SOVIET NATIONAL EMPLOYED BY THE U.N. BUT THE FULL EXTENT OF SOVIET CONTROL OVER THE PROJECT STILL WAS NOT CLEARLY DEFINED. FOR ONE THING, AN OFFICIAL SAID THAT THE KREMLIN WOULD RULE ON VISAS FOR ANY OF THE FIVE ASSISTANTS WHO EVENTUALLY WILL BE ASSIGNED TO THE DIRECTOR, OPENING THE POSSIBILITY OF AN ALL-RUSSIAN STAFF.

INFORMATION CENTERS ALREADY ARE FUNCTIONING IN PRAGUE, WARSAW, LONDON, PARIS, COPENHAGEN, GENEVA, NEW DELHI, SHANGHAI, MEXICO CITY, RIO DE JANEIRO AND WASHINGTON. NATIONALS OF FOREIGN COUNTRIES SERVE ON MOST OF THOSE STAFFS. HOWEVER, IN PRAGUE AND WARSAW THE RESPECTIVE DIRECTORS, BOTH NATIONALS, STILL HAVE NO ASSISTANTS.

DEC 1947

THE CENTERS SERVE A DUAL PURPOSE. THEY HAND OUT U.N. DOCUMENTS AND INTELLIGENCE, ARRANGE FOR PRO-U.N. SPEAKERS AND ENCOURAGE PUBLICATION AND DISCUSSION OF U.N. MATERIAL. THEY ALSO REPORT BACK TO LAKE SUCCESS ON REACTION AS REFLECTED THROUGH THE PRESS AND RADIO.

(EDITORS: THE ABOVE IS EXPECTED TO STAND.)

M418AES

End December 11, 1947

30.24- 14179

MARSHALL AND BEVIN LASH MOLOTOV FOR NEW ATTACK; HOPE FOR PEACE PARLEY DIM

Marshall Says It's Difficult to Hold Any Respect for Soviet

Replies to Bitter Attack by Molotov at Big 4 Session—Russian Accuses West of Trying to Keep Reich Split.

J. M. HIGHTOWER

London, Dec. 12 (A. P.).—Soviet Foreign Minister Molotov accused the Western Powers today of trying to "perpetuate the division of Germany" as part of a strategic plan to employ the western zones against what he called the "democratic nations" of Europe.

His charges were met by angry cries of "insults," "abuse," and "propaganda" from the Western Foreign Ministers of the Big Four.

Secretary of State Marshall said, according to a text made public by the American delegation:

"I think Mr. Molotov must realize that such a method of procedure makes it rather difficult to inspire respect for the dignity of the Soviet Union."

Sees Personal Attack.

Vladimir Pavlov, Soviet briefing officer, described Marshall's reply as "a personal attack on the Soviet Government to which Mr. Molotov did not reply."

However, when asked if he felt Molotov's statement meant an end to the Foreign Ministers meeting here, Pavlov said, "No, I don't think his statement ends the conference. It is a matter for Mr. Marshall to decide."

Here is the text of Marshall's comment as given out by the American delegation:

"I have no comment to make on such a propaganda statement, but I will add that, considering the purpose and circumstances under which we are gathered here and considering the positions we occupy in our respective governments, I think Mr. Molotov must realize that such a method of procedure makes it rather difficult to inspire respect for the dignity of the Soviet Union."

Charges Profit Making.

The Soviet leader accused the United States of taking "hidden reparations" from Germany and reducing German industry to a "deplorable state." The Western Powers, he asserted, are making Germany dependent on the American economy and profiting by German exports.

At the same time Molotov held firm on Soviet reparations demands, which he has stated before as amounting to $10,000,000,000 over a twenty-year period, mostly to be paid from current production. He said today this could be accomplished with eventual benefit to the Germans if their level of industry was raised high enough and only a percentage of production each year was removed for reparations.

British Foreign Minister Ernest Bevin, who has reparations proposals pending before the council, said in denying Molotov's charges that "while we have no means of checking . . . we are told the Soviet Union has taken material to the value of at least $7,000,000,000 out of Germany since the war ended."

French Deny Charges.

Molotov accused the French of receiving hidden reparations. Bidault, according to American informants, replied:

"I just wish to say, in the name of the French delegation, that what has been alleged by Mr. Molotov about France and France's attitude on reparations is contrary to the truth."

American informants said that Bevin commented to the council, when Molotov had finished, that what had been said was a whole series of insults and complete untruth, and Molotov might at least have the courtesy to thank the other Ministers for sitting through such a statement.

Official American informants said Marshall asserted Molotov's statement was made for "quite another purpose" than the problems of Germany and for "quite another audience" than the Council of Foreign Ministers.

British informants described the session as the bitterest to date.

Molotov, they said, launched a four-point attack on the Anglo-American and French reparations policy in Germany and accused the Western Powers of seeking to perpetuate "the division of Germany."

Hour-long Attack.

Molotov's speech was described as taking an hour. In it, a British official said, he accused the western authorities in Germany of making profits from the sale of coal and timber; buying up German firms with Anglo-American capital and imposing upon Germany without consulting the people, "crippling" financial credits.

Bevin was quoted by British briefing officers as saying:

"I did not dream we would ever be subjected to the kind of insults and abuse we have had this afternoon. All the people of the British Commonwealth," he added, "will resent such abuse."

What was even worse, Bevin added, was that the same statements that have been denied in the past were repeated today.

Molotov asserted, according to French officials, that the Soviet Union had a "moral right" to reparations which, if levied on German current production would, he said, benefit the German people by providing a considerable increase in the level of their industry.

Levies for reparations would be only a part of German production and this for only a short term, he argued.

Concession Predicted Earlier

Industrial production in the American zone, he said, according to the French sources, is now only 35 per cent of its total in 1938. If this were raised to 70 per cent and only 10 per cent taken for reparations, the German people would eventually benefit, he said.

Before today's session, Soviet sources had reported that Molotov might offer to defer Russia's $10,000,000,000 reparations claim against Germany if the Council would agree to the immediate establishment of all-German economic and administrative agencies in the Reich.

DEC - 1947

Text of Molotov Statement

Special to The New York Times.

LONDON, Dec. 12—Following is the text of the statement by Foreign Minister Molotov to the Council of Foreign Ministers today as distributed in English by Tass, Soviet news agency:

The day before yesterday Mr. Marshall made a statement on behalf of the United States Government designed to stop immediate reparation deliveries to the Soviet Union from Germany. Mr. Bevin associated himself with that statement on behalf of the British Government. After him M. Bidault also associated himself with the statement on behalf of France. Thus three delegations have now united in a common front against reparation deliveries to the Soviet Union.

However, it is not difficult to see that these statements are groundless. Furthermore, these statements are in complete contradiction with those made by the Government of the United States of America against Great Britain and France during the war when they resolved to support the Soviet Union and other Allies regarding reparations from Germany.

Recalling again the Yalta and Potsdam agreements, I am bound to state that the Soviet Union is not asking but demanding that the question of reparations be at long last decided. The Soviet Union insists that agreements regarding reparations should not remain on paper but should be carried out as has been decided.

The difference of views on this question between the Soviet Union and the United States of America, for instance, is generally known. Direct damage alone, inflicted by the Hitlerites on the Soviet territory they occupied, has been estimated at $128,000,000,000. Nobody can deny the enormous damage caused to the Soviet people by German occupation.

Says U. S. Enriched Itself

Quite different is the case of the United States of America, which, fortunately, was not subjected to enemy occupation and, what is more, enriched itself during the war. The data which have been published testify to the fact that the profits of big property owners in the U.S.A. reached unprecedented heights during the war years.

Under these circumstances the representatives of the American Government may perhaps make a statement objecting to reparations for the Soviet Union. But in order that this statement may be recognized as well-founded and just it must be shown that it rests at least on some sort of a moral basis.

It is all the more obvious that this statement is groundless since it is in contradiction with the obligations assumed by the United States Government as well as by the Government of Great Britain at the Yalta and Potsdam conferences.

The Government of the United States of America proposes to us that reparation deliveries from current industrial production should cease, whilst nothing is said about the state of affairs with regard to reparations on account of equipment deliveries. That this is passed over in silence is not accidental.

Suffice it to say that under the Potsdam Agreement reparation deliveries of equipment from the Western zones of Germany are provided for in respect to twenty Allied countries but during the whole period ending Nov. 1, 1947, these twenty countries, including the U.S.S.R., received such equipment to the amount of $33,000,000 only. It is evident from this that in actual fact the reparations from the Western zones have been wrecked. Is this situation admissible? Is it not a mockery that in the course of two and a half years all the twenty Allied countries entitled to reparations from the Western zones have received reparations to the amount of $33,000,000 only? Is this the proper way of carrying out obligations assumed, if the wish to carry them out is there?

As long as allies were needed in the war against the common enemy they mattered; not inconsiderable promises were made to them and obligations were entered into. But that was during the war. Little was left of these promises when came the time for peacemaking.

Is that the way to establish a democratic peace which calls for the respect of the rights and interests of nations and for the firm observance of obligations undertaken? The establishment of a democratic peace as distinct from an imperialistic peace is incompatible with neglect of the rights and interests of other nations and with the violation of obligations undertaken.

Takes Up Current Production

I have quoted data as to how reparations in the form of equipment deliveries from the Western zones of Germany are being carried out. Actually nothing has been done to fulfill these obligations and the results achieved have been quite pitiful. The main attack is now being launched against reparations on deliveries from so-called current production. And here too the American delegation is resorting to arguments which are quite groundless.

However, let us look at the facts. There are no current reparation deliveries from the Western zones while the level of industry in the joint Anglo-American zone reaches only to 35 per cent of the 1938 level. From the Soviet zone of Germany current reparation deliveries are taking place and the level of industry there has already reached 52 per cent of the

DEC - 1947

1938 level. Thus the index of industrial output for the Soviet zone, although conditions there for the rehabilitation of industry are more difficult, exceeds one and a half times the index of industrial output of the Anglo-American zone.

It follows that reparations deliveries, far from hindering the rehabilitation of industry, facilitate this rehabilitation. Indeed, the Soviet authorities in the Eastern zone of Germany are making every effort to assist the rehabilitation of German peacetime industry. A different policy is being pursued by the Anglo-American and French authorities in their zones.

Speaks of Policy on Industry

The question arises, what policy should be pursued in respect of German industry, bearing in mind the fact that under no circumstances should we allow the restoration of war industry?

One policy is to set the development of peaceful industry in motion so as to increase industrial production in the Western zones from 35 per cent to at least 70 per cent of the 1938 level; i. e., to raise the level of reconstruction to double that reached to date in the Anglo-American zone. In this case the allocation of 10 per cent for current reparation deliveries will leave the Germans with 60 per cent of production instead of the present 35 per cent. As a result current reparation deliveries would be carried out and, furthermore, the Germans themselves will get almost twice as much industrial production.

And yet efforts should be made to achieve a level of German industry even higher than 70 per cent of the 1938 level. It is only a matter of clearing the way and of making it possible for German industry just to make a start, under four-power control, of course; then it will be easy to solve the problem of allocating a part of industrial production for reparation deliveries and at the same time to meet more fully the needs of the German people while the possibility of exporting German commodities to other countries will be increased.

Neither should it be forgotten that in a certain period of time reparations will have been paid by the Germans and then the whole industrial output will remain in their own hands and their industry will also have gathered considerable strength. If this attitude toward German industry is adopted any suggestion that current reparation deliveries will lower the standard of living of the German people will become groundless and will serve only to obscure the real state of affairs.

The Soviet Union considers that the only correct policy is one which makes a positive approach to the problem of the rehabilitation of peaceful German industry. There can be no doubt that this progressive policy will meet with due support from the German people also.

Suggests Industry Is Retarded

Another policy is to retard the rehabilitation of German industry to prevent the Germans from restoring the production of machines, clothing, footwear, foodstuffs, the chemical industry and other branches of peaceful industry. This policy facilitates, of course, the sale of foreign commodities in Germany, but it rests on an unsound basis.

If the restoration of German industry is hindered for fear that it would become a competitor of certain American, British and French industrial monopolies then, of course, its restoration will be further retarded and obstacles will be put in the way to prevent it from recovering and from getting back on its feet. But such a policy is not only at variance with the interests of the German people but also with the interests of other European nations. It will inevitably end in failure and will discredit those who carry out such a reactionary policy.

What are the results? Countries which suffered from German aggression were promised reparation through the delivery of surplus German equipment. In fact, however, these deliveries have been reduced to nothing.

On the other hand, no conditions are being created for the efficient use of an enormous amount of equipment existing in German industry. As a result of this the equipment of many German plants has been standing idle for over two and a half years; it is not being repaired, it is deteriorating and being ruined.

The overwhelming majority of German plants are unable to begin normal production in spite of the efforts of many manufacturers, while workers, technicians and engineers are unable to obtain work they want.

Only individual industrial monopolists with appropriate foreign connections receive support from the occupation authorities in the Western zones of Germany. This cannot go on much longer. The policy of hindering German industry must be abandoned. Then only will necessary restoration of economic life in the western part of Germany begin and the living standard of the German population rise. Mention is frequently made here of the limited amount of reparations which the Soviet Union is receiving in order to make good at least a small part of the damage caused to the Soviet people by the German occupation. But the hidden reparations and economic privileges which the British, American and French authorities through industrialists and banks receive in the Western zones are usually passed over in silence. Justice requires, however, that we should not forget this.

I have already had occasion to speak about the coal industry. Until recently coal was bought at cheap rates from the Ruhr in the British zone and exported to other countries. The British authorities who acted as intermediaries in these transactions received enormous profits.

The same thing is happening in respect to the export of timber. Hundreds of millions of dollars have already been earned in these operations. But this is not called reparations. In fact, however, this is in no way different from reparations, but nobody is demanding that an account be given of these reparations.

Foreign bankers and industrialists are now taking yet another advantage of the difficult position of the German industrialists. Many enterprises and whole concerns are being bought up from German industrialists at low prices. American and British capital is penetrating into German industry on a wide scale and without control; it is already having its own way in the coal, iron and steel, chemical and other industries.

The enormous profits thus made are going to various foreigners who are having a stroke of luck, if I may so express myself. The longer the present stagnation of German industry in the Western zones lasts the easier will it be for foreign owners to buy up German enterprises and make enormous profits in the process. But can such a state of affairs be considered normal and can German industry be left any longer in this unsightly condition?

Or take the question of credits given to the Germans, say, by the United States and Great Britain. It has already been said here that the German debt to the United States of America alone amounts to $600,000,000 a year and together with Great Britain to $700,000,000 and these debts continue to increase. Yet the Germans themselves are not being asked whether these credits are acceptable on the terms laid down by foreigners.

Says We Burden Germans

At the present time it is not only the food Western Germany needs that is being brought from the United States. Kitchen utensils and beds, cleansing liquid and mops, as well as wine and cakes, are being brought in. There are, of course, foreign merchants who have interests in this. But under present conditions this brings about an enormous inflation of the foreign debts with which Germany is burdened. The Germans, however, can produce all this themselves and a great many other things also without getting into dollar debts. But the rehabilitation of the peacetime branches of German industry should not be hampered.

Under the American plan it is proposed further to render so-called "financial aid" in the coming year to the extent of $1,150,000,000 and hence again the Germans are not being asked whether the terms of these new credits are acceptable to them. And since the industry in the Western zones is not being developed the Germans have no possibility of paying back these credits.

The German debt in the Western zones will soon reach several milliards [billions] of dollars. For the German people these obligations will be harder to bear than any reparations. Unless the hampering of industry and the disintegration of idle industrial equipment are brought to an end, as long as the debts continue to increase, an unbearable burden of foreign debt will fall on the shoulders of the Germans.

The accumulation of dollar debts in the Western zones of Germany places the whole economy of the Western part of Germany in a state of dependency on other countries, especially on the United States. Germany's industry is to ever-increasing degree becoming subordinated to American and other foreign monopolies. The dependence of the economic life of the Western part of Germany on the United States is increasing from day to day, and there is no longer any point in talking about the independent development of Germany's economic and political life in the Western zones.

Financial aid on the part of the United States is becoming such a burden and leads to such heavy economic consequences that it will take the Germans a long time to pay. American aid of this kind becomes a dangerous obstacle to the restoration of Germany's economic and political independence.

Other powers want to use Germany in their own interests by promising her financial assistance, et cetera. There even exist plans to use the Western part of Germany as a base for bringing political pressure to bear inside and outside Germany to further the interests of certain foreign reactionary circles and in the future as a strategic base against the democratic states of Europe. These calculations are built on sand.

It would be one thing if Germany were forbidden to develop her war industry but were enabled to develop her peacetime industry and to export a part of her industrial output to other countries. She would then be able to receive the import commodities she needs and to repay credits without falling into bondage and putting herself in a position of dangerous economic dependence in relation to this or that strong power. Talk about taxpayers would then come to an end since the interests of taxpayers would be safeguarded by a timely payment of credits on the part of Germany.

Charges Aggressive Aims

Quite another state of affairs is taking shape at the present time. Even elementary conditions are not being provided at present for the restoration of German industry and consequently the daily increasing foreign debts of the Western part of Germany are placing Germany in a position of complete dependence on other countries, especially on the United States of America, where no little power is wielded by those who are not at all concerned with the German people but who would like to use Germany or at least her Western part for their expansionist aims and as a strategic base for aggressive plans of this kind.

The separation of the Western part of Germany from the rest of Germany—while again and again we are confronted with new measures undertaken with this end in view—gives a free hand to those who are anxious to lord it in the West.

The German question could be solved only by the preservation of the economic and political unity of Germany. For this purpose the German economic departments should be created forthwith as a nucleus of a government for the whole of Germany. To this end it is necessary already now to proceed forthwith to the establishment of a German advisory council composed of representatives of the Lands, the democratic parties of the whole of Germany and also of representatives of free trade unions and other large anti-Nazi organizations.

In that case there would be someone who could be asked what the Germans themselves think about any particular economic aid to Germany, about the acceptability of the terms of foreign credits to be given, about the necessity for importing any particular foreign goods, et cetera. In this case a timely fulfillment of Germany's reparation obligations would also be insured.

The day before yesterday it was argued here that the Germans should repay foreign credits before meeting all their other obligations and before reparations. It goes without saying that these claims are groundless and unjust.

A Soviet delegation insists that the question of reparations be settled without delay, in accordance with the Yalta and Potsdam agreements.

DEC - 1947

U.S. Called 'Two-Faced' By Izvestia

Moscow, Dec. 12 (AP)—The Government newspaper *Izvestia* asserted today that negotiations being carried on outside the Foreign Ministers Council sessions in London were contributing materially to the impassé confronting the conference.

Izvestia did not specify who, in its opinion, was responsible for these "private negotiations," but left no doubt in the minds of readers that it was referring to the United States.

"The hypocritical policy of Janus which the United States delegation is trying to carry out in London deceives no one," said the article.

[Janus was an ancient Roman deity with two faces.]

"The impasse in the London session, over which British and American newspapers have been doing so much shouting," *Izvestia* went on, "has it foundation not so much in the speeches of the delegates as in that realistic policy which is being carried on by one or another of the states outside the hall where the sessions are taking place."

DEC - 1947

Austria-Pact Blunder Seen By Gruber

London, Dec. 12 (AP)—Foreign Minister Karl Gruber of Austria told reporters today a diplomatic blunder had been made when peace treaties for the Balkan countries were written before the treaty for Austria.

"If the Austrian problem had been settled first," he said, "Austria might have been saved."

Continued occupation of Austria, he added, meant that Soviet supply line troops remained in Romania and Hungary.

Communists have relative small influence in his country, he said, and the Government is trying to hold their influence in line with their voting strength. Gruber came here because of the possibility the Foreign Ministers Council may again take up work on the Austrian treaty.

DEC - 1947

30.24- 14181

Marshall, Bevin Hail Relations (N)

A SINGLETON

London, Dec. 12 (AP)—Gen. George C. Marshall, Secretary of State, and Ernest Bevin, Foreign Secretary, joined tonight in praising the growth of British-American friendship and understanding as a pattern for peace in a turbulent world.

Going from a stormy session of the Big Four Foreign Ministers to a dinner of the Pilgrims Society, the United States and British Cabinet members emphasized the desire for peace in the world and acclaimed the bonds between their two countries. The society's aim is to promote United States-British friendship.

Marshall recalled the settlement of past British-American disputes and declared, "I know of no better example in history of what can be accomplished by nations who are willing to negotiate in the spirit of frankness and with a genuine desire to resolve their difficulties."

Wish To Make It Worldwide

"Our friendship is not exclusive," Bevin declared. "We extend it in the same way to our fellow human beings the world over. Just as we, the British and Americans, understand one another, so we wish to make this understanding worldwide."

The two diplomatic chiefs avoided mention of deadlocks and recriminations in the Big Four negotiations over Germany's future. Georges Bidault, French Foreign Minister, was present. Vyacheslav M. Molotov, Soviet Foreign Minister, was not. The latter's absence brough comment from Viscount Greenwood, chairman of the society, which has branches on both sides of the Atlantic.

"We did our best to get the Big Four here," Greenwood declared. "They are all here except Mr. Molotov. We would have been glad to have had him here, however, much as some of us differ with him, and some of us do profoundly."

End War Propaganda

Marshall said the world is "sick unto death of war" and called for an end to propaganda about a new war.

Bevin praised Marshall's efforts to revive Europe and declared that the Marshall plan expressed the "true, generous heart of the American people."

"History has decreed," Bevin said, "that Mr. Marshall's name will be associated with one of the greatest efforts that have ever been made in the establishment of peace: The European recovery program."

On the same general subject, Marshall declared that there was a "great surge of American public opinion in support of an effort to alleviate the sufferings and hardships" of the people of Europe.

Generous Desire To Help

Referring to the current debate in Congress on legislation to aid Europe, he expressed belief that the present public state of mind in the United States "is remarkable evidence of a genuine and generous desire to help the other fellow."

Marshall called for a "spiritual conquest" of world problems to restore mankind's faith in peace and understanding.

"The great desire of all mankind is for peace and understanding, the latter essential to the former," he said. "Peace and understanding. They should not be so difficult to secure when the common people throughout the world are hoping and praying for such a result. They are sick unto death of war. The thought of war is violently repugnant to them. Yet people are again fearful of war, to such lengths have the propagandists gone.

Rise Above Difficulties

"We must make a supreme effort, I think, to brush aside such insinuations and rise above our difficulties in what might be termed a spiritual conquest of our present weakness and frailties. We must restore the belief that we can live together in peace and understanding."

Evidently mindful of Russian opposition to American financial aid to Europe under the Marshall plan, the Secretary said the support American public opinion is giving the aid-Europe program is particularly remarkable when "one considers the length and breadth of America and how remote most of our people are from the European scene."

A New Awareness

But Americans, many of them widely traveled during the war, are developing a new awareness of international problems, Marshall said, adding: "Important results may well flow from this development."

Apparently replying to Russian attacks on British-American cooperation, Marshall said:

"Those who see this close and even fraternal relationship as evidence of calculated political combinations are confusing cause and effect.

"There is no more natural relationship in international life than that between the United States and the British Commonwealth. This relationship requires no special political initiative. It is not embodied in any formal treaty or pact."

No Reason For Fears

Marshall recalled predictions that differences between economic systems in the United States and Britain would make for misunderstandings in the future and said: "I see no reasons for such fears."

"We must not conjure up imaginary ghosts when so many real specters are at large in the world today. We should proclaim the existence of a relationship unique in history. It is a relationship which menaces no one—harms no one. On the contrary, it is truly beneficient in its influence on world developments."

followed."

The Secretary said that "remarkable evidence of a genuine and generous desire to help the other fellow" was apparent in the United States.

"The most impressive factor at the moment to my mind is the great surge of American public opinion in support of an effort to alleviate the sufferings and hardships of the people on this side of the Atlantic," he declared.

Marshall, apparently replying to Russian attacks on Anglo-American co-operation, said that there are no "calculated political combinations" in relations between the two countries, relations which he said resulted from national heritages.

Marshall recalled predictions that differences between economic systems in the United States and Great Britain would make for misunderstandings in the future.

"I see no reasons for such fears," he declared. "The American people and the British people are not given to fanatical devotion to any one doctrine—except the doctrine of liberty.

No Imaginary Ghosts.

"We must not conjure up imaginary ghosts when so many real specters are at large in the world today. We should proclaim the existence of a relationship unique in history. It is a relationship which menaces no one—harms no one. On the contrary, it is truly beneficient in its influence on world developments."

Marshall said that Americans, many of them widely traveled during the war, were developing a new awareness of international problems.

"Important results may well flow from this development," he said, adding: "So I think I am on firm ground when I say that Europe in particular will be far better understood by America than America will be understood by Europe. Just what this will mean to the future is a matter for careful analysis and the passage of time. But I have great confidence that it will be very helpful in meeting the world problems which are now on us and which will continue to arise."

DEC - 1947

Marshall Decries War Talk (D)

Calls for Spiritual Conquest of World Problems at Pilgrims Dinner.

London, Dec. 12 (A. P.).—Secretary of State Marshall called tonight for a supreme effort to silence new war propaganda and for a "spiritual conquest" of world problems to restore mankind's faith in peace and understanding. Both, he declared, are necessary to reassure a world "sick unto death of war."

DEC - 1947

"The great desire of all mankind is for peace and understanding," Marshall said at a dinner of the Pilgrims Society, which is devoted to promotion of Anglo-American friendship.

"Peace and understanding—they should not be so difficult to secure when the common people throughout the world are hoping and praying for such a result. Yet people are again fearful of war, to such lengths have the propagandists gone.

Calls for Supreme Effort.

"We must make a supreme effort, I think, to brush aside such insinuations and rise above our difficulties in what might be termed a spiritual conquest of our present weakness and frailties. We must restore the belief that we all can live together in peace and understanding.

"We do have economic troubles, ideological troubles, but the greatest trouble, I believe, lies in a spiritual apathy that is not an unnatural result of the horrors suffered during the past years and the want and despair which have

MANDATE END MAY SPEED UP (N)

Bevin Sees Faster Evacuation If Circumstances Permit

R. HEWETT

London, Dec. 12 (AP)—Ernest Bevin, Foreign Secretary, said today Britain will speed up both the surrender of her Palestine mandate and the final evacuation of British troops from the Holy Land if circumstances permit.

Next May 15 has been fixed as the latest date for giving up the mandate and August 1 for the removal of British forces, but both steps may be completed before those deadlines, the Foreign Secretary told the House of Commons.

"May 15 Is The Latest Date"

He also declared Britain would consider it a "provocative act" if Jews encouraged illegal immigration during the interim period. Decisions on future immigration, he said, should be left until the new Jewish state is established under the Palestine partition decision of the United Nations.

With the withdrawal of British forces from the strife-ridden Holy Land, priority is being given to removal of instruments of war, the Foreign Secretary said, adding: "We shall not leave any dangerous toys."

Replying to appeals from both Laborites and Conservatives that Britain should immediately set a "hard and fast" date for giving up the 26-year-old mandate, Bevin said Britain has "made it clear that May 15 is the latest date" she will retain responsibility for law and order in Palestine.

August 1 Deadline Explained

He explained that if negotiations with the United Nations "move more quickly than we think now and we can fix an earlier date, we shall do so."

The August 1 evacuation deadline, he said, was established because an earlier date could not be fixed "without a very great loss." Bevin added: "Here again, if circumstances arise in which we can speed this thing up and bring it about earlier we shall do so."

Britain will not oppose the United Nations General Assembly's decision to divide Palestine into separate Arab and Jewish states, but British troops will not be used to enforce the plan, Bevin said. He declared it was up to the United Nations to find the men needed for enforcement and said: "I cannot use a British organized force, neither can I be a party at the present moment to put a British force under any other command."

Supports Plea By Eden

Supporting a plea by Conservative Anthony Eden, former Foreign Secretary, to Jews and Arabs to stop the bloodshed in Palestine, Bevin said:

"That appeal which I endorse will, I believe, be paid great regard to in Palestine and the neighboring countries. May I express the hope that it will be paid the same regard to in Great Britain, New York and outside, and not exacerbated and thus make more difficult the task that is to be seen through."

Bevin said there was "no obligation" for Britain to change the Jewish immigration quota of 1,500 monthly while she retains the mandate.

Mandate Ending Due In May, Bevin Says (D)

DEC -1947

London, Dec. 12 (AP)—Foreign Secretary Ernest Bevin said today that Britain will surrender her Palestine mandate even before May 15 if possible.

Bevin indorsed an appeal by his

predecessor, Conservative Anthony Eden, to Jews and Arabs to end the bloodshed brought on in the Holy Land by the United Nations decision to partition Palestine.

"That appeal which I indorse will, I believe, be paid great regard to in Palestine and the neighboring countries," Bevin said. "May I express the hope that it will be paid the same regard to in Great Britain, New York and outside, and not exacerbated and thus make more difficult the task that is to be seen through."

Concluding a two-day Commons debate on Palestine, Bevin also said Britain has "made it clear that May 15 is the latest date" on which it intends to surrender her Holy Land mandate.

May Fix Earlier Date

If negotiations with the United Nations "move more quickly than we think now, and we can fix an earlier date we shall do so," Bevin added.

Troops will leave before August 1 if possible, he said.

Expressing hope that "common sense will prevail," Bevin said Britain would consider Jewish encouragement of illegal immigration to be a provocative act. He said weapons will be withdrawn with British forces: "We shall not leave any dangerous toys."

He reiterated that British troops will not help enforce partition.

Military Limitations

"It is for UNO to find the force, but I cannot use a British organized force; neither can I be a party at the present moment to put a British force under any other command," Bevin declared.

The Foreign Secretary said Britain was under no obligation to change the present Jewish immigration quota for Palestine, now 1,500 a month.

"Here I want to appeal to the Jews," Bevin said. "If any attempt is made to bring in numbers of immigrants in spite of our control and so cause trouble, in my view that would be another and most important contribution to unrest.

"I say to the Jews advisedly that they should leave it (immigration) alone until the new state is set up."

While the debate was in progress, police dispersed a group of Arab students who shouted anti-partition slogans near the London offices of the United Nations and the Jewish Agency.

BRITISH BAR VISAS TO GERMAN GROUP

London, Dec. 12 (A. P.).—Britain has refused visas for a delegation of the German People's Congress, which sought to plead for a united Germany before the Council of Foreign Ministers here. The congress, held in Berlin recently, was described by its opponents as Communist dominated and Russian organized.

A Foreign Office spokesman said today the specific reason for refusal was that, while the delegation wished to "represent Germany, the Council of Foreign Ministers has not yet decided whether they—or any other single party or organization—is in fact qualified to represent their country."

Briton Is Jailed In Zionist Bomb Case

London, Dec. 12 (A. P.).—Ivor Worth, 37 years old, pleaded guilty today to placing a bomb at London Zionist headquarters and was sentenced to eighteen months' imprisonment. Experts said the bomb was incapable of going off.

DEC -1947

Ousting 19 Legal, Paris Tells Soviet; Schuman Wins In Vote

Paris, Dec. 12 (AP)—The French Government, just given a new parliamentary vote of approval over Communist opposition, told Russia tonight its recent expulsion of nineteen Soviet citizens was legal. R. JAMES

In a reply to a Russian protest handed to the Soviet Embassy, the Foreign Office said the expulsion was carried out according to international law and usage and without mistreatment of any of those involved.

Shortly before the note was made public, the National Assembly sided with Premier Robert Schuman in voting to close a hot debate on criticism of the Goevrnment voiced by Lieut. Col. Raymond Marquie, Chief of the French Repatriation Mission expelled from Russia this week. The Government got 411 votes on its move to end the debate against 183 cast in opposition by Communist deputies.

Repatriation Camp Raided

The nineteen Russians were banished from France last month, in the midst of a strike wave, on the ground of "interference" in French affairs. Their expulsion followed a French raid on Camp Beauregard, Soviet repatriation center near Paris.

Subsequently, the Russians sent a note of protest to the French Government and the French, declaring the terms unacceptable, handed the note back.

Last Tuesday, the two governments ordered the expulsion of each other's repatriation missions—maintained in Paris and Moscow for an exchange of their respective nationals—and trade relations were broken off.

Wednesday night, Colonel Marquie told a Moscow news conference the French Government was to blame for all the "events of the last few days" and the Soviet Government was to blame for none of them. He said French charges against the Soviet citizens were false.

Tonight's French note told the Russians:

1. It was "absolutely inexact" to say violence was used against any of the nineteen Russians expelled.

2. All were given treatment "conforming to the rules of humanity."

Long-Time Communist

3. France had every right to expel them without advising the Soviet Embassy; this is a regular procedure even between countries with consular agreements, and the Soviet Union, which has no such pact with France, could not expect preferential treatment for her citizens.

4. France had no intention of imprisoning or prosecuting the Soviet citizens but simply expelled them.

In Paris yesterday, an aide to Francois Mitterand, Veterans Minister, said Marquie was a long-time Communist. He said that the repatriation official wanted to stay in Russia but that if he returned to France and his statements were confirmed he would be put out of the army.

In today's debate, the Government blasted what it called Marquie's "inadmissable attacks."

LYONS EXPLOSION ROCKS RED OFFICE

Lyons, France, Dec. 12 (A. P.).—A loud explosion at the entrance of Communist headquarters here broke windows in several buildings today. No injuries were reported.

Friendship Train Food Due In France Tuesday

Paris, Dec. 12 (AP)—Almost 5,000 tons of Friendship Train food for France, given by the American people, is to arrive in Le Havre Tuesday.

The cargo of the freighter American Leader will be loaded aboard box cars and ten trains of 100 cars each will steam out of the English Channel port to deliver the supplies in every corner of France in time for Christmas.

A second freighter is scheduled to leave New York Monday so as to arrive in Italy with an equivalent amount of supplies about January 1.

U.S. Denies German's Starvation

Frankfurt, Germany, Dec. 12 (AP). The United States Military Government today denied a German newspaper report that hunger had claimed its first victim this winter in Frankfurt.

Major Gerald Sola, Frankfurt military governor, said a city autopsy showed that 50-year-old Herman Weiss died of pleurisy. The Frankfurter *Rundschau* said yesterday a medical examination revealed Weiss died of undernourishment.

DEC -1947

KRUPP DUTCH FIRM HELD AID TO SUBS

Nuernberg, Dec. 12 (A. P.).—The work of a Krupp submarine designing firm in Holland during the period Germany was forbidden to rearm saved the Nazis "from two to four years" in getting their U-boats into mass production for aggressive warfare, United States Naval Commander Frank Springer of Malden, Mass., testified today in the Krupp war crimes trial.

Springer, now attached to the Naval Advisor's Office as a ship construction expert, said the service of the Krupp-sponsored Ingenierkantoor Voor Schepsbouw (I. V. S.) to the German Navy was "invaluable."

The American prosecution is attempting to prove that Krupp was preparing for aggressive war in the 1920's and early '30s by various subterfuges, such as camouflaged German firms abroad, in violation of the Versailles Treaty.

REDS HALT U. S. TRAIN

Berlin, Dec. 12 (A. P.).—Fifteen heavily-armed Russians help up and broke into a United States Army supply train recently on the road to Berlin in the Soviet occupation zone, the American Provost Marshal's office said today.

A report made by American train guards to their commanding officer said the Russians were intoxicated. No shots were fired and although the Russians broke the seals on nine cars in the fifty-three-car train no loot was taken, the report said.

The incident occurred at night at the small station of Wildpark, near Potsdam.

Swiss Praise GI Visitors

FRANKFURT, Germany (AP)—Florian Niederer, assistant manager of the Swiss National Tourist Office, says that 320,000 U. S. soldiers have visited Switzerland since the war and not more than twenty-four "misbehaved." The visitors have done much to create good-will between the two countries, Mr. Niederer added.

AMG Civilian Aide Resuming Army Status

Berlin, Dec. 12 (AP)—American military government headquarters announced today that Frank L. Howley, director of the United States Office of Military Government for Berlin since the four-power occupation began, has been recalled to active duty with his former rank of colonel in the Army and appointed American member of the Allied Kommandantur.

The Kommanrantur is the Four-Power ruling council for Berlin, on which Howley has had the post of deputy United States representative.

Howley, a former Philadelphia advertising man, commanded army civil affairs detachments in France during the war and arrived in Berlin on July 1, 1945, to head the AMG organization here.

He transferred to civilian status last May and now is being reinstated in the army at his own request.

Coins Called Goering Cache Are Dug Up

Munich, Germany, Dec. 12 (AP)—Bavarian police announced today discovery of a cache of old gold and silver coins they said they believed was tucked away by Reichsmarshal Hermann Goering, Hitler's deputy.

The coins—about 6,000 marks in gold and 1,000 marks in silver—were dug up at Auerbach, near the site of one of Goering's homes. Police turned the find over to the United States Military Government.

(The mark was worth 40 cents at the pre-war rate of exchange.)

DEC -1947

30.24- 14183
DEC - 1947

ROME GENERAL STRIKE ENDED

Both Sides Loudly Claim Victory After Walkout (N)

JP McKnight

Rome, *Saturday*, Dec. 13 (AP)—Rome's 48-hour general strike—the latest battle in the Left's "winter offensive" against Premier Alcide de Gasperi's Christian Democratic Government—ended at midnight with both sides loudly claiming victory.

A secretly printed extra edition of the Christian Democratic party's newspaper *Il Popolo*, on the streets just at midnight, said in big black headlines, "Strike Fails!"

But the Communist-controlled Chamber of Labor of Rome province, which ordered 500,000 workers out Wednesday night to back up its demands for sweeping winter unemployment relief, assigned in calling them back that the Government had yielded all along the line.

Protected By Police

The Chamber's vote to end the strike, ratified later by assembled delegations from individual unions, came last night after thousands of Romans had gone back to work under the protection of club-swinging police.

The police—67,000 strong, the largest such force assembled in Rome in recent times—used their clubs on jeering throngs to enforce the declaration by Mario Scelba, Interior Minister, that the Government would "protect those who want to work." There were no fatalities and few persons were injured gravely.

Disorders also were reported from several other parts of Italy yesterday.

400 Occupy Factory

In Caltanissetta, Sicily, unemployed demonstrated and nine persons were hurt, one severely. In Varese, in the extreme northwest, 400 workers whose pay was late occupied a factory and sympathetic trainmen halted traffic for four hours on the Saronno-Varese line.

In Bologna, in north central Italy, more than 700 storekeepers kept their places shut for the second straight day to protest newly imposed provincial taxes, and police were kept busy breaking up crowds of workers that tried to force the stores to reopen.

In Rome, Government-organized, privately operated hackney trucks, each protected by two carbine-armed police, carried those who wanted to go to their jobs yesterday, and Romans crowded them to the running boards.

By nightfall, a survey of some of the principal streets in downtown Rome showed one out of three business places again were open, and in some streets half the establishments were open to customers after a virtual commercial paralysis yesterday.

Then last night a Chamber of Labor communiqué announced the strike was over. A spokesman said the vote was unanimous. The communiqué said appropriations by the municipality of Rome and province, added to what the Government had offered for a winter relief public work program, satisfied the demands of the strikers.

Resentment Influence

Observers believed, however, that the Rome citizen's growing resentment influenced the decision.

Earlier Salvatore Rebecchini, recently elected mayor, was reported ready to put up 2,000,000,000 lire ($3,517,000) of city funds to add to the 11,000,000,000 which the Government had offered.

The Labor Chamber originally had demanded a 10,000,000,000 lire program and then 14,000,000,000 lire, including some public works already under way.

Premier Alcide de Gasperi said he was pleased at the end of the strike. He asserted agreement "could have been reached before" and thanked Christian Democratic workers who, he said, understood that and stayed on the job.

Release Reported, Denied

He said the Government's pre-strike appropriations for winter relief did not preclude new ones but that "billions of lire cannot be appropriated under the pressure of a strike."

The Chamber of Labor's announcement said the Government had promised to release several hundred persons arrested during the strike on charges of obstructing police efforts to break up crowds, of posing as police or of attacking establishments that defied the strike order.

Late last night, however, the Interior Ministry denied this. It said only the courts could decide whether those charged with crimes were to be prosecuted.

Ratified Promptly

The chamber's decision was ratified promptly by the "council of leagues," made up of delegates of individual unions, after Giuseppe di Vittorio, Communists secretary of the General Confederation of Labor, had declared the strike a "brilliant success."

Throughout the day yesterday helmeted riot squads in jeeps, mounted police and patrolmen swung their truncheons, repeatedly clearing the city squares and charging throngs trying to block the reopening of shops or interfering with the Government-organized transport of workers.

Principal Incidents

The main incidents were at Piazza Colonna in mid-Rome, at Piazza Fiume, a mile away, at Piazza Risorgimento, along Giulio Cesare across the Tiber, and at Piazza Argentina.

At several places well-disciplined "flying wedges" attempted to force police lines guarding movies. Some patrons leaving the guarded places were roughed up.

Outside Rome in the province troops ran into stone-throwing battles when they attempted to remove road blocks thrown up by strikers across the Appian Way near Albano and at Genzano. Five soldiers and many strikers were reported injured at Albano and several hurt at Genzano.

Strikers Fired On

Communist deputies declared the strikers had been fired upon, but there was no official confirmation.

Unknown persons placed stones on the Rome-Civitavecchia railway, and a coach crowded with passengers was braked just in time.

At one time at the Piazza Colonna, the policemen followed the crowd into the vestibule of a church and clubbed a woman and two other persons inside. (INSERT)

70 Reported Arrested

A youth's leg was broken in a clash at the Piazza Risorgimento. At least 70 or 80 persons were reported arrested at various places.

End of the strike came amid indications of a growing split in the Communist-dominated Chamber of Labor.

The chamber originally voted, 17 to 3, for the strike, with one member, a Moderate Labor Socialist, abstaining and three Christian Democrats voting against. In a later vote last night to continue the strike and reject Government terms, the vote was 12 to 7, with two absent.

The small Republican party, whose representative supported the original strike vote in the chamber, declared today the Government's latest offer had met substantially the chamber's demands in that it favored ending the strike provided the Government would release strikers who have been arrested.

DEC - 1947

VOTE TO HALT GENERAL TIE-UP IS UNANIMOUS

Walkout Was Collapsing As Communist-Led Unions Acted (D)

THOUSANDS DEFY STOPPAGE

Midnight to Mark Close of Strike —Final Day One of Violence —Police Fight Mobs.

Rome, Dec. 12 (A. P.).—Reliable informants said Rome's Communist-controlled labor unions had voted to end the capital's two-day strike at midnight tonight.

A spokesman at the Rome Chamber of Labor said the Communist-directed unit voted unanimously to bring the stoppage to an end.

The report came as the strike was reported on the verge of collapse through the open defiance of thousands of workers to the Chamber of Labor's stoppage orders and as the heaviest police concentrations in the capital's history were taking strong measures against a tide of violence.

Earlier Interior Minister Mario Scelba had charged in the Constituent Assembly that organized gangs were sent out to intimidate non-strikers.

Morning newspapers, strike-bound for two days, began calling their personnel back to put out tomorrow's issues.

Throughout the capital, many shops, restaurant and entertainment places already were open as darkness fell on the second day of the strike.

A Communist member of the Assembly charged police had fired on a crowd of strikers in Rome Province. He may have referred to a report by A. N. S. A., the Italian news agency, that troops or police fired in the air in Albano to disperse a crowd.

Stones Placed on Railway.

One case of possible attempted sabotage was reported. Stones were placed on the Rome-Civitavecchia railway and a coach crowded with passengers was halted just in time when the motorman saw the obstruction.

A number of soldiers, police and strikers suffered minor injuries in clashes in the province. Police at several places were met by a hail of stones from strikers who had thrown up roadblocks.

In Rome itself helmeted police riot squads rode jeeps into milling crowds, to clear pathways for strike-breaking traffic.

A survey of uptown Rome at nightfall showed one of every three business establishments open in some streets. Along the busy Via Mazionale, one of every two shops was open. Along Giulio Cesare street and in other areas, heavy police guards protected movie houses, restaurants, bars and shops which reopened their doors.

Piazza Colonna, the big square just off the Constituent Assembly building, was the scene of a series of disorders throughout this second day of the capital's first general strike since pre-Fascist days. Strikers jeered and hooted as the police bore down, swinging clubs. The demonstrators dispersed, chanting the Communist anthem "Red Flag," only to gather again.

Armando Fedeli, Communist member of the Assembly, was severely beaten by one of the milling crowds before police could recognize and rescue him.

In the Constituent Assembly, Interior Minister Mario Scelba declared the police would maintain order and "protect those who want to work." He was replying to Leftist protests against police tactics.

Two American photographers of the Associated Press were clubbed by police in the Piazza Colonn outbursts. Photographer W. Walter Green was struck twict—one while photographing a police charge on the crowds, and again when he was taking pictures of police clubbing a woman and two men in the vestibule of a church where many of the crowd had taken refuge. Photographer Frank Noel was also struck by a club. Neither camera-

DEC - 1947

man was injured seriously.

Labor Group Split

A split appeared evident within the executive council of the Chamber of Labor. The Chamber had voted the general strike originally by a vote of 17 to 3, with the Christian Democrats in opposition and a moderate Labor Socialist abstaining. Yesterday, in a vote on continuation of the strike, seven favored ending it and two were absent.

The Chamber of Labor's executive was in almost continuous session, but scheduled no meetings with Premier Alcide de Gasperi's representative. The Christian Democratic Government was striving for a settlement.

The personnel of the Ministry of Industry and Commerce voted not to participate in the strike, deeming it "obviously political."

Food Supply In Peril

The capital's high food commissioner declared that failure to unload a boatload of grain at Civitavecchia, Rome's port, had endangered the city's food supplies. Grain will be transferred from Viterbo and Perugia provinces to meet the emergency.

The most vigorous police action was at the Piazza Colonna, and Leftists were angered and embittered. At one point, Pietro Nenni, the leader of the Socialists' pro-Communist wing, and Giuliano Pajetta, a Communist member of the Constituent Assembly, were mixed up in a fracas after attempting to remonstrate with police. Neither was injured.

Catcalls In Assembly

In the Constituent Assembly Nenni demanded to know the nature of police orders with regard to Piazza Colonna. Interior Minister Mario Scelba replied that police were instructed to prevent gatherings in the vicinity of the Government offices. His reply brought catcalls and cries of "Mis," a new epithet formed from the initials of the avowedly Fascist party, the Italian Social Movement.

A mile away from the Piazza Colonna other crowds were dispersed by police at Piazza Fiume. Police drove their jeeps on the sidewalks, swinging clubs as they pro-

gressed. Some demonstrators were arrested. A Communist party section has offices in Piazza Fiume.

The rioting began when groups of idle bystanders had aroused the policemen by jeering, whistling and shouting insults at those detailed to protecting private vehicles that were pressed into service to relieve the shortage of transportation.

Only Transport

Two uniformed police officers, armed with carbines and truncheons, were assigned to each half-ton truck converted to passenger service. These have become Rome's only transport system, just as they were in the early months of the city's liberation.

Throughout Rome, jeep loads of police circulated constantly. Other officers, walking three or four abreast and brandishing truncheons, kept demonstrators on the move in the main thoroughfares.

About noon demonstrators tried to impede the trucks at the Piazza Argentina, two blocks from Communist headquarters, but they were quickly dispersed by police.

The Ministry of Interior announced that 28 persons were arrested when demonstrators erected a road block on one of Rome's bridges in the Via Nomentana. Another 40 or 50 demonstrators were arrested in the Piazza Colonna.

Youth's Leg Broken

In the Piazza Risorgimento, near the Vatican walls, police in jeeps charged a throng of demonstrators, breaking one youth's leg and knocking down a woman who was selling black market cigarettes. Rome's black marketeers are not participating in the strike.

Dispatches from Milan said that the Stock Exchange in that city was invaded again today by demonstrators, compelling it to suspend its session.

The Christian-Democrat section of the Chamber of Labor, which opposed the strike but was voted down by the Communist-Socialist majority, continued to scatter leaflets today urging workers to stay on the job.

Partisans Moving In

Tension in the Italian capital was increased by reports that 20,000 wartime Communist Partisans were converging on the city from the north and that violence might be in the offing.

Il Popolo, newspaper of the dominant Christian Democratic party, published a hand-set strike edition. This charged the stoppage was called "because a precise order was given by the Communists" as part of a preconceived international plan to impede Italy's return to normal. Such a plan, it said, "is developing in Italy as in France, Spain and elsewhere."

The Chamber of Labor, which ordered the work stoppage ostensibly to enforce demands for winter unemployment relief, announced late last night that it had received information that "neo-Fascist" groups would attempt to break the strike today.

The chamber said it would not "be responsible for the consequences."

There were a few disturbances on the strike's first day yesterday.

Police Augmented

One well-informed source said the security forces in the capital and province had been augmented by 12,000 to 15,000 men, including special riot police from Naples. The Interior Ministry declined comment on this report, which, if true, would mean that security forces on duty would number about 67,000 men.

MILAN BOURSE INVADED

Small Investors Protest Fall of Securities Prices

MILAN, Italy, Dec. 12 (AP)—For the second time this month small investors invaded the Milan Stock Exchange today and protested the continued fall of securities quotations.

Four hundred demonstrators, who forced their way past police guarding the building since the first invasion Dec. 5, stopped trading in the final half-hour and prevented posting of closing prices.

Their action apparently grew out of a meeting last night of the Association of Small Savers and Investors, which adopted a resolution asking the Government to take "urgent steps to halt illegal speculation."

U.N. Unit Won't Aid (D) 28, Salonika Reports

Salonika, Greece, Dec. 12 (AP)—The United Nations' new special committee on the Balkans was reported reliably tonight to have declined to intervene to save 28 convicted Communist conspirators from execution.

The 28 were found guilty by a Greek court martial last night of having plotted revolt in Salonika and were sentenced to death. Sixteen others were given life imprisonment and twenty more lesser terms. Seven were found innocent.

Relatives of the defendants had appealed to the United Nations committee yesterday before the court ruled. Reliable informants said the committee in a closed meeting held that the matter was one for Greek courts and intervention was outside its jurisdiction.

Greece Sets Death For 29 (D) In Red Plot

Salonika, Dec. 12 (AP)—Twenty-nine persons—including one woman—were under sentence of death today, following their conviction by a military court last night on charges of plotting a Communist uprising in Salonika.

Life sentences were imposed on sixteen others and twenty more were given lesser prison terms. Seven were acquitted.

At the same time another court convicted and sentenced to death Col. Michael Poulos, veteran of the Asia Minor campaign against Turkey in the early 1920's, who was accused of collaborating with the Germans during their occupation of Greece.

Twenty of Poulos's collaborators were given similar sentences *in absentia* and 160 others received life terms.

Marquie Set To Fly Home From Russia

Moscow, Dec. 12 (AP)—Lieut. Col. Raymond Marquie, chief of the expelled French repatriation mission here, said today he intends to leave tomorrow for France. Poor flying conditions prevented his departure today, he said.

Marquie, at a news conference Wednesday, accused the French Government of a "systematically malicious attitude" toward the U.S.S.R.

The French Government suspended Marquie yesterday because of statements made at the Moscow news conference, and aides at the Veterans Ministry said it was possible he might be cashiered from the army when he returns to France. French officials described him as a Communist of long standing, appointed to his job when a Communist was Minister of Veterans Affairs.

Russ Unit Controls Assets Abroad

Moscow, Dec. 12 (AP)—Formation of a new government bureau for the administration of Soviet property abroad was disclosed today as a Hungarian financial mission departed for home following the conclusion of talks concerning Russian claims against German assets in Hungary.

The new administration, which the Russian press said was headed by V. N. Merkulov, is attached directly to the Council of Ministers. It apparently was set up to manage and control former German assets taken over by the Russians not only in Hungary but also in Romania, the Soviet zones of Austria and Germany and elsewhere.

Vice Chairman Identified

The vice chairman of the new organization, which conducted the talks with the Hungarian mission, was identified as V. G. Dekanazov.

[A dispatch from Budapest Wednesday said that as a result of the Moscow conversations Russia had reduced from $260,000,000 to $45,000,000 her claims for goods delivered to Hungary by Germany during the war. The dispatch added that complete accord had been reached on questions dealing with German assets and property in Hungary.

In Addition To 200 Million

[The Finance Ministry in Budapest disclosed that the $45,000,000 is in addition to $200,000,000 owed to Russia by Hungary as reparations and said it also did not take into account millions of dollars' worth of former German property taken over in Hungary by the Soviet Government.

[The Ministry said $30,000,000 of the account settlement would be retained in Hungary for Soviet investment and the other $15,000,000 would be paid in export goods.]

21 Persons Slain, Threat Made By Irgun (D)

Jerusalem, Dec. 12 (AP)—The Jewish underground struck hard with bomb and gun today at Arabs in five parts of Palestine, and when dusk descended on this Moslem Sabbath, 21 persons had been killed for a total of 194 since partition was announced.

At least eighteen of the dead were Arabs, whom Irgun Zvai Leumi said it had struck down in "retaliatory" blows at Tireh, Gaza, Haifa Yazur and Shafar. Three bodies were found burned in a British Overseas Airways truck seized by Arabs tonight at Lydda village. At least 40 Arabs were wounded.

Irgun said actually the casualties were much higher and asserted in a pamphlet:

"We warned the Arabs repeatedly before we struck. Retaliatory acts will continue. If the British continue to interfere and permit the Arabs to import arms from abroad, we will strike them, too."

310 Slain In Middle East

Throughout the Middle East, where Arabs were astir over the partition scheduled for next year, 310 persons have been killed.

Except for the underground acts, violence seemed to subside a bit under appeals from political and religious spokesmen and tightened British security measures.

Scattered firing went on all day in the besieged Jewish section of the old city of Jerusalem, where troops and police patrolled the narrow, winding streets. The Highland Light Infantry moved into the area at dusk after police blocked the Jaffa gate.

The heaviest death list was at Tireh, near Haifa, where Jewish commandos killed a dozen Arabs and wounded six with grenades and automatics.

The best available information was that the Jewish groups were squads of the Irgun Zvai Leumi and Stern group. They went into action from Haifa to Hebron.

Big Offensive Indicated

Some authorities expressed belief that Jewish bands appeared to be opening a widespread offensive against Arab masses opposing a division of the country into Jewish and Arab states.

Counting earlier casualties in Aden and Syria, the Middle East death toll in thirteen days had mounted to 310. Hundreds were wounded. Property damage in Palestine was estimated at above $10,000,000.

British Troops In Old City

British troops in steel helmets and police armed with automatic weapons moved into the Jerusalem old city during the morning where thousands of Arabs gathered at mosques near the walled Jewish quarters.

A police recapitulation showed 108 casualties in combats during the 24 hours ended at 8 A.M. today. The official tally showed 25 Arabs and 12 Jews killed. Wounded were 49 Arabs, 18 Jews, 1 Briton, 1 Mauritian and 2 auxiliary policemen.

[The village of Tireh, also called Et Tira and Tyre, was a trouble spot in the Arab revolt of 1938-39. It lies just off the Haifa-Tel Aviv highway, about 8 miles south of Haifa. Most of its people, estimated at 2,000, are Moslems. Another Tyre, which Isaiah calls "The Crowning City," is in Lebanon.]

Two Arabs were killed by gunfire near Gaza.

Secret Arab Parley

Arab informants said Fawzi Kaukji, probable leader of the Arab "People's Army," visited Palestine secretly this week to "confer with leaders of Palestine Arab fighting forces."

An official source said six Arabs were wounded when guards opened fire during a prison break at Atlit, 9 miles south of Haifa. Three Arab prisoners were believed to have escaped in this third jail break or attempt within a week.

Troops arrested ten Jews in the Manshieh quarter of Tel Aviv-Jaffa. A Jewish house in the same area was burned.

Grenades Fired In Jerusalem

Six grenades exploded in Jerusalem's Princess Mary avenue and four or five explosions, followed by gunfire and flares, beat the dawn to the tense Ramle-Rehovot-Jaffa triangle.

Police said four Jewish youths threw the grenades in Princess Mary avenue, wrecking the offices of two Arab transport companies, one cafe, and a gunsmith shop. A police van on the Jerusalem-Bethlehem road was raked by Arab guns.

Sporadic rifle fire continued around the besieged Jewish section in Jerusalem's old city.

Police armed with automatic weapons were ordered on a 100 per cent stand-by basis in anticipation of a possible upsurge of Arab fury at the end of today's Moslem religious services. Police reports said several temporary Arab policemen on duty at isolated posts had "absconded" with arms and ammunition.

Remain Away In Fear

Jewish War Department workers at army camps in the Gaza district, on the south coast, stayed away from their jobs, the Jewish press said, complaining of a "lack of security."

A Jaffa report said Mayor Yussef Heikal flew to Cairo to confer with Arab League leaders concerning a possible truce in the bloody fighting on the border between all-Jewish Tel Aviv and Arab Jaffa. That strife already has cost half a hundred lives and has resulted in the burning of hundreds of homes.

DEC - 1947 30.24- 14185

Ancient Bible Reported Burned In Aleppo Riot

Damascus, Syria, Dec. 12 (AP)—Emir Moustapha Shehabi, Governor of Aleppo, reported to the Home Minister today that an ancient Bible, one of the most valuable known to exist, had been burned and destroyed in recent anti-Jewish rioting there.

[Dr. Alexander Marx, of the Jewish Theological Seminary in New York, said the Bible was "probably the most valuable text of a complete Hebrew Bible which had been preserved." He said the text was completed about the Tenth Century by the Ben-Asher family.

[Jewish Agency sources in Jerusalem said they had unconfirmed reports that eight Jews also were killed in Aleppo.]

The Aleppo newspaper *Attaqaddom* received here said the mobs put the torch to a 2,750-year-old synagogue and its rich library of manuscripts, more than 150 houses, 50 shops, 10 other synagogues, 5 schools, and an orphanage, a youth club and a restaurant in the Jewish quarter.

The newspaper recalled that scholars from all over the world had visited the library, especially to see the Bible which it said many foreign universities and museums vainly had tried to buy.

Syria, by a rioting mob was "probably the most valuable text of a complete Hebrew Bible which had been preserved."

Dr. Marx said the text had been completed about the Tenth Century by the Ben-Asher family.

Army Competent, Says Arab Chief

Cairo, Egypt, Dec. 12 (AP)—Ahmad Sharabati, Syria's National Defense Minister, said today that the Arab "People's Army is more than capable of defeating the Zionists" in the fight for Palestine.

The coming battle, he said, will require three things: courage, leadership and weapons.

Arabs are courageous, Sharabati declared, "because they are fighting for their rights." They are "rich in regional leadership," he added, and—"we will surprise the world that we have prepared equality in weapons."

Called People's War

Arabs are "going into a blood bath to cleanse themselves," he continued, with all of Palestine as the battlefield. The Arab fight against the United Nations decision to partition the Holy Land, Sharabati declared, is a people's movement, but the kings and the presidents and the other leaders of the Arab countries are "taking it under their patronage, leaving no place for any doubt of success."

The Arab League conference now being held here to consider Arab reaction to the partition decision was in recess today because of the Moslem Sabbath.

U.S. Sending Turk Army 50 Shiploads of Materiel

ANKARA, Dec. 12 (AP).—The United States will supply fifty shiploads of equipment to the Turkish Army under the $100,000,000 aid program, Major General Horace L. McBride, chief of the United States Army mission to Turkey, said today.

While small quantities already have arrived, the bulk of the material will come beginning in February, General McBride told a news conference. He declined to identify types of equipment on the ground that it is a military secret. It is well known, however, that material already here is chiefly of roadbuilding and transportation usefulness.

The general disclosed that perhaps 250 American personnel would be sent here to work with the Turks on what apparently will be a reorganized military force designed primarily for defensive purposes. American obsrvers said last summer that the Turkish Army could be reduced in size and yet become a more potent organization by use of modern military practices.

estimated at partition at 4,000,000,000 rupees ($1,320,000,000).

Of this, Pakistan has already received 200,000,000 rupees ($66,000,000).

Patel said Pakistan's share of liabilities would be estimated on a basis of physical and financial assets lying in that new dominion, plus the share allocated to Pakistan of the uncovered debt, which conferees agreed would be 17½ per cent. The accord provided that Pakistan should start paying her share of the uncovered debt in 50 annual installments starting in 1951.

To Seek U.S. Loan

The British-edited *Statesman* said Finance Minister Ghulum Mohammed of Pakistan would leave shortly for the United States in quest of a loan up to $6,000,000. The report said Washington's reaction to initial feelers was "not a refusal, but not very encouraging." The dispatch said, however, the United States likely would grant a $1,000,000 loan. Pakistan was seeking through its Ambassador to purchase blankets for refugees.

Patel told the Assembly that "Pakistan's share of military stores will be one third of the stocks of India and Pakistan or one third of the maintenance and reserve requirements calculated on an agreed basis, whichever is less." The rest will go to India.

The army newspaper *Peace Daily* quoted a high Government military source at Kiukiang, Yangtze River command headquarters, as saying the battle would reach a peak by the end of this week or early next.

Far to the northeast, in Manchuria, a new battle appeared imminent. Pro-Government dispatches to Peiping said more than 20,000 Communists had infiltrated from Jehol province into the southwestern corner of Manchuria and were mustering near the rail city of Chinhsien, 110 miles northeast of the Great Wall.

The dispatches predicted that this was a prelude to a Communist attempts to paralyze the Peiping-Mukden railway, badly damaged in earlier Red raids.

Reds "From Dairen" Land

Meanwhile, the Peiping *Daily News* said a body of Chinese Reds "from Dairen" had landed on the coast of Hopeh province about 35 miles east of Tientsin for operations against the same railway south of the Great Wall. It said the landing was made southeast of Lutai, 40 air miles northeast of Tientsin.

There was no confirmation of the report. Dairen, a major Manchurian port, is occupied by the Russians.

heard today.

A "top secret" document making the request to the Government was introduced by the prosecution during crossexamination of defendant Telichi Suzuki. Suzuki, who later became wartime president of the planning board, in 1933 was a lieutenant colonel in charge of liaison between the War Ministry and other Government offices on matters relating to China.

Says He Can't Remember

Suzuki would not deny that such a policy was adopted but said he had no recollection of the existence of the decument. It bore a handwritten note that it was turned over to the Foreign Office by Suzuki.

Meanwhile, Sir William Webb, president of the tribunal trying 25 Japanese wartime leaders, arrived in Tokyo from Australia, where he sat for a month on the Supreme Court.

Jap Guard Beat GI Over Snake

Yokohama, Dec. 12 (AP)—An American sergeant testified at the war crime trial of ten Japanese today that he was beaten as a prisoner of war because he accidentally cut the back of a snake one of the defendants ordered him to trap.

Tech. Sergt. Martin M. Kalich, of Uniontown, Pa., accused Guard Mo Ei Chin, known as "Smiley" and "Laughing Boy" of the beating at the Cabanatuan camp in the Philippines.

"We were cultivating new ground infested with ant hills, around which snakes congregated," Kalich testified. "Smiley told us to get the snakes out alive. He stood by to catch them with a forked stick. Unfortunately I cut a snake on his back. Smiley beat me up."

Used In Medicine

Japanese use snakes in making medicine which they believe maintains human virility.

Lieut. Col. Austin J. Montgomery, of Sherman Oaks, Cal., told the military trial commission that treatment of prisoners was "atrocious."

"I saw Lieut. William Gentry, of Harrodsburg, Ky., hit over the head by ex-Lance Corporal Kazutane Aihara. He was in the hospital for six months."

Aihara was sentenced to death in a previous trial for atrocities aboard a prison ship.

Mobs Burn Jews' Holdings

Damascus, Syria, Dec. 12 (AP)—The Aleppo newspaper *Attaqaddom* reports that mobs in a recent orgy of destruction burned a 2,750-year-old synagogue in the Jewish quarter of Aleppo, ruining a library which included a priceless ancient Bible.

Mobs set fire to more than 150 houses, 50 shops, 10 synagogues, an orphanage, a youth club and a restaurant in the Jewish community, the account said.

It quoted Aleppo's Governor, Emir Mustapha Shehabi, as telling the Home Ministry in a report that the Bible was one of the rarest relics of Holy Land antiquity.

[In Jerusalem the Jewish Agency said it had received unconfirmed reports that eight Jews had been killed in Aleppo.]

New York, Dec. 12 (AP)—Dr. Alexander Marx, of the Jewish Theological Seminary, said today the ancient Bible destroyed in Aleppo,

Karachi, Pakistan, Dec. 12 (AP.).—Thousands of Moslem students paraded before the United States Consulate in Lahore, the Punjab, yesterday, shouting anti-American slogans and protesting the United Nations decision to partition Palestine.

Speakers called upon all Moslems to unite to defeat British-American-Russian plans with regard to the Holy Land. The Consulate assured the demonstrators the protests would be forwarded to the United States Government.

Iraq Seeks Loan From World Bank

Bagdad, Iraq, Dec. 12 (A. P.).—Finance Minister Yusuf Ghanima said today that preliminary discussions were in progress for a $75,000,000 loan to Iraq from the World Bank and Monetary Fund.

"The loan will be used to finance major irrigation and agricultural schemes, industrial and economic development and other projects that will help increase the country's productive capacity," he said.

Pakistan's Share Of Funds Set

New Delhi, Dec. 12 (AP)—Deputy Prime Minister Sardar V. Patel told the Constituent Assembly today that Pakistan would receive 750,000,000 rupees ($247,500,000) under an agreement reached on dividing the cash balances of India,

Chinese Close In On Red Force Of 40,000

Nanking, Dec. 12 (AP)—Government troops were reported closing in for the kill today against 40,000 Chinese Communists surrounded east of the Peiping-Hankow railroad near the Honan-Hupeh border of central China.

Pro-Government dispatches said Nationalist columns were moving in rapidly from north and south against Red General Liu Po-cheng's 1st, 3d and 6th divisions, which came out of mountain hideouts a few days ago in an attempt to move westward.

Savage fighting was reported as Nationalist forces drove into the Communist-defended mountains from bases on both sides of the border.

Battle Approaching Peak

Chinese to Defer Assembly Session

Nanking, Dec. 12 (A. P.).—The State Council decided today to announce on December 25 an order convening the National Assembly at some later date. The assembly, which will choose China's first constitutional President, was scheduled to meet on December 25. However, only 1,000 delegates have been officially declared elected. A quorum of more than 2,000 is needed.

Chiang Overthrow '33 Aim Of Japs

Tokyo, Dec. 12 (AP)—The Japanese War Ministry and army general staff requested the Government as early as 1933 to determine its policies toward China on a program calling for the eventual destruction of Chiang Kai-shek's Government, the International Tribunal

Japan To Press Probe Of War-Surplus Scandal

Tokyo, Dec. 12 (AP)—Japan was on the verge of her first intensive "Teapot Dome" investigation today.

A new Diet committee armed with unprecedented powers will be appointed to push an investigation of a gigantic scandal involving the illegal sale of billions of yen worth of military supplies in the immediate postsurrender confusion.

Fresh authority to expedite the probe, which already has hit several key cities and threatens top-ranking politicians, was voted by what authoritative sources described as a "frightened" House of Representatives last night.

The House approved a surprise resolution calling for a new 30-man committee with inclusive authority, including the first right of administering an oath ever held by a Japanese parliamentary investigative body. The resolution was the last item of business before the Diet adjourned until January 20.

The committee will be charged with investigating the disposal of all "commodities useful for the economic recovery of Japan" during the period of confusion between the surrender and Allied entry and subsequently.

An initial appropriation of 250,000 yen ($5,000) to begin operations also was voted.

Batavia Group Hits Indonesia 'Maurauders'

Batavia, Java, Dec. 12 (AP)—The Dutch Technical Committee for implementing the cease-fire order said today it had asked the Republican Government to "disown" marauding Indonesian bands, which it accused of causing larger casualties among civilians than troops.

An authoritative Republican source said, however, his Government would not "abandon loyal supporters" in resistance pockets behind demarcation lines proclaimed by the Dutch. [The United Nations Security Council voted the cease-fire order last August 1 and its resolution was accepted by both parties August 4, but sporadic violence continues.]

Called Unacceptable

The Dutch said the Republicans had found unacceptable proposals of the Netherlands Committee for Demarcation Lines "existing in fact," to order troops of both sides to "stand fast immediately," to evacuate fighting groups in areas occupied by Dutch troops and to restrict patrolling in forward areas.

"Many wild men are in this country in both Republican and Netherlands-held territory," the announcement said, adding that if the Republicans would "disown these marauding bands . . . conditions would indeed be created in which not only the cease fire, but also political discussions, could be carried out."

The announcement said that during the first 25 days of November, there were 161 cases of "intimidation and terrorization," 128 cases of sabotage, 30 murders, 41 abductions and 36 instances of arson.

Manila Mentioned For Jap Peace Parley

Manila, Dec. 12 (AP)—Sources close to the Philippine Department of Foreign Affairs said today that a proposal to hold the Japanese peace conference in Manila was under consideration. The origin of the proposal was not disclosed.

At Baguio, meanwhile, Vice President Elpidio Quirino, concurrently Foreign Secretary, said that if the Indonesian Republic should apply for Philippine recognition the matter would be considered "in light of current events." Quirino is there conferring with President Manuel Roxas.

Panama Students Stage Anti-U.S. Protest; 25 Hurt

Demonstration Held In Capital Against New Agreement To Lease Canal Defense Bases

Panama, Panama, Dec. 12 (AP)—Twenty-five persons were reported to have been injured today in a street battle between police and university students who protested a new agreement to lease canal defense bases to the United States.

Santol Tomas Hospital dispensary said the 25 included eight policemen, three hospitalized; seven students, one operated on for a bullet wound in the spine, and ten civilians, none hospitalized.

Earlier, Socialist Deputy José Brower had told the National Assembly five persons had been injured. The demonstration developed as the Assembly met for submission of the agreement. Brower said he had seen police firing pistols at women and children.

Crowd Disperses

The Assembly adjourned at 6.15 P.M. and the crowd dispersed.

In the battle, bystanders said the police used bullets, sabers and teargas and some of the students carried sticks and threw bricks.

The disorders, centered in the downtown section, began shortly after 3 P.M. and were still going on at 5.30.

An official ban had been placed on demonstrations. Infantry and mounted, and motorcycle police were mobilized throughout the city when reports spread that the students were defying the ban.

The clash developed as the students marched along the avenue toward the Palace of Justice, where the Assembly opened a special session at 3 P.M. to start considering the bases agreement, signed Monday.

The marchers tried to break through mounted police, but were dispersed momentarily. One demonstrator, carrying the national flag, was reported injured by a saber.

The students ran down side streets and gathered again several blocks farther down the avenue. They threw up a barricade against a pursuing motorcycle brigade. This was ineffective. Another clash developed in Cathedral Plaza.

Cabinet Ministers Hooted

The students finally reached the Assembly building. A strong police guard outside held back several hundred, but some got into the gallery of the Assembly chamber, where two shouted that police were attacking them.

The crowd outside hooted the arrival of Cabinet ministers. Among these were Florencio Arosemena, the new Foreign Minister, going inside with the message of President H. Enrique Adolfo Jimenez on the agreement, and Francisco Filos, Interior Minister, who had banned the demonstration.

Later a large crowd gathered opposite Santa Ana Plaza and police strove to prevent a mass meeting. Many of the demonstrators were shouting "Down with Yankee imperialism."

Marines Patrolling Brazil Installations

Recife, Brazil, Dec. 12 (AP)—Marines patrolled docks and naval installations here, alerted against the possibility of sabotage, as the National Chamber of Deputies at Rio de Janerio prepared today to take final action on a bill removing Communists from elective posts.

Authorities also were alerted throughout the entire state of Pernambuco.

Brazil has outlawed the Communist party and has broken relations with the Soviet Union.

Truman Seeks '4-Year Plan' For Europe, Landon Says

By ED CREAGH

WASHINGTON, Dec. 12 (AP)—President Truman wants congress to underwrite western Europe's recovery program for at least four years, Alf M. Landon said today after talking with Mr. Truman at the White House.

This view is in direct conflict with the stand taken by Senator Taft (R-Ohio) and several other Republican leaders who want any long-term help by the U. S. to be granted on a year-to-year basis.

Landon, former governor of Kansas and Republican presidential nominee in 1936, told reporters Mr. Truman had authorized him to relay the presidential wish for a four - year guarantee of aid to Europe.

Landon in Agreement

Expressing agreement with the president, Landon said: "I told him these people in Europe are sticking out their necks, that their very lives are at stake and they ought to know what they can count on."

Four years of assistance, at a total cost of $15,700,000,000 to $18,300,000,000 is contemplated in Secretary of State Marshall's program to help the 16 western European countries which have agreed to help themselves at the same time.

President Truman's press secretary, Charles G. Ross, said today that the presidential message detailing the program will be sent to congress "shortly" but not before Mr. Truman has conferred with congressional leaders next Monday.

Ross told newsmen the meeting, to be held at the White House, will be concerned with the whole problem of European relief and recovery and naturally touching on the Marshall Plan message, but will not be a preview of it.

Conferees Work on Bill

Senate and House conferees meanwhile reached partial agreement on differences between the two houses' bills authorizing more than $500,000,000 in stopgap assistance until a long-range aid program can get started.

They deferred action, however, on the chief conflict—the fact that the senate measure calls for $597,000,000 for France, Italy and Austria while the house version provides only $590,000,000 and cuts China in for $60,000,000 of it.

All indications were that the House Appropriations Committee, which must recommend voting of the actual funds, would leave China out of its money bill.

Advance Authorized

The joint conference committee agreed to authorize a $150,000,000 advance by the Reconstruction Finance Corporation to start help flowing to the three European countries as soon as final legislation is passed.

Chairman Eaton (R-NJ) of the House Foreign Affairs Committee said the conferees also agreed upon:

1—A compromise under which not more than 10 per cent of the total funds could be used to buy commodities abroad, and none of these commodities could be bought at a higher cost than that prevailing on the domestic market.

2—A house amendment requiring the president to make regulations governing relief buying so as to ease the impact on American prices and supplies.

3—Another amendment directing the purchase of as much petroleum and petroleum products outside the U. S. as possible.

4—The senate's decision that the stopgap program should end next March 31 rather than on June 30 as proposed by the house.

Eaton told reporters that the conference committee was "in a mess" because the house "made a farm bloc bill out of the legislation by insisting on various provisions to protect the price of farm products."

Senators invited to Monday's White House conference are Vandenberg (R-Mich), presiding officer of the senate and chairman of the foreign relations committee; White (R-Me), majority leader; Barkley (D-Ky), minority leader; and Connally (D-Tex), ranking minority member of the Foreign Relations Committee.

Taft, chairman of the Republican policy committee and declared candidate for his party's presidential nomination, is not on the invitation list, although he has attended similar gatherings in the past.

House members invited are Speaker Martin (R-Mass), Democratic Leader Rayburn of Texas, GOP Leader Halleck of Indiana, Chairman Eaton (R-NJ) of the Foreign Affairs Committee, and Rep. Bloom (D-NY), ranking Democratic member of the committee.

DEC - 1947 30.24- 14187

Aid Conferees Agree To An RFC Loan

Washington, Dec. 12 (AP)—A Senate-House conference committee agreed today to authorize a $150,000,000 advance by the Reconstruction Finance Corporation to begin stopgap relief operations in France, Italy and Austria as soon as Congress finally approves foreign-aid legislation.

Chairman Eaton (R., N.J.) of the House Foreign Affairs Committee said the conference group did not get around, at its first meeting today, to discussion of the Senate and House differences over the total relief amount.

The Senate voted to authorize up to $597,000,000 aid for the three countries, but the House pared the overall total to $590,000,000,000 and earmarked $60,000,000 of that for China.

Compromise On 10 P.C.

The conferees agreed, Eaton said, to a compromise by which not more than ten per cent of the total funds could be used to purchase commodities abroad, stipulating that none of these could be bought at a cost higher than that prevailing on the domestic market.

Previously, the House had voted to permit 25 per cent of the funds to be used for purchases abroad, with the provision that the cost could not be more than ten per cent above domestic prices. The Senate had provided merely that not more than 25 per cent could be bought abroad.

Eaton said the conferees accepted House amendment providing that the President must consider the drain upon natural resources and the effect on prices of purchases for the aid program.

He said that an amendment calling for the purchase of as much petroleum and petroleum products outside the United States as possible was also approved.

Accept Senate Termination

House conferees agreed to strike out the June 30, 1948, termination date they had written into the bill and substitute the Senate's March 31, 1948, date, Eaton said.

He opened a conference with reporters by observing that the Senate-House group is "in a mess."

"We're in a mess, the mess that the distinguished House of Representatives got us in," Eaton declared. "The House made a farm-bloc bill out of this legislation by insisting on various provisions to protect the price of farm products."

One clue to a possible line of compromise came from Senator H. Alexander Smith (R., N.J.), a member of the Foreign Relations Committee. He said the committee had agreed unanimously with Secretary of State Marshall that something should be done for China later, in a separate bill, but now:

"It will be difficult for the Senate to knock out the fund for China because any such action would be regarded as a slap."

Among The Revisions

As it finally went through, the measure carried the following amendments, intended to combat inflation and Communism:

1. Forbid paying more than prevailing prices for relief supplies bought in this country.

2. Direct the President to issue regulations for the program designed to ease the drain on American resources and the pressure for higher prices.

3. Halt at once any relief to a country whose Government comes under Russian or Communist party domination.

4. Bar distribution of relief commodities by Communists.

5. Order Government agencies, mainly the Commodity Credit Corporation, to sell for foreign relief the surplus foods bought under Federal price-support programs. Under a price arrangement in the amendment, CCC officials have figured that this would up the cost of the aid program by $50,000,000 or more. Taber said $100,000,000.

6. Require the Government to see to it that this country has 150,000,000 bushels of wheat in reserve next July 1 unless an official forecast May 1 puts the winter wheat crop above 700,000,000 bushels and spring wheat planting at normal. Representative Fulton (R., Pa.) said the amendment was the equivalent of killing the bill.

7. Permit creation of a Senate-House committee to keep tab on distribution of aid.

TRUMAN TO REVIEW EUROPE'S PROBLEM

Washington, Dec. 12 (A. P.).—President Truman will review the whole problem of European relief and recovery at a White House conference with Democratic and Republican congressional leaders on Monday.

Charles G. Ross, press secretary, told reporters that the meeting naturally would touch on the long-range European recovery program, although it would not be a preview of Mr. Truman's forthcoming message on that subject.

Invited to the conference are Senators Vandenberg (R.-Mich.), White (R.-Me.), Barkley (D.-Ky.) and Connolly (D.-Tex.), along with the following House members:

Speaker Martin, Democratic Leader Rayburn, Republican Leader Halleck, Eaton (R.-N. J.), chairman of the House Foreign Affairs Committee, and Bloom (D.-N. Y.), ranking minority member of that committee. Vandenberg is temporary President of the Senate and chairman of its Foreign Relations Committee, while Connolly is ranking Democrat on the committee. White is majority leader of the Senate, and Barkley its minority leader.

The invitations, which do not include Senator Taft of Ohio, the chairman of the Republican Policy committee, who attended the last meeting, represent a resumption of presidential conferences with leaders of both parties. Taft is not a member of the Senate Foreign Relations Committee.

RUSSIA STILL GETTING U.S. LEND-LEASE

Soviets Have Title To All Goods Sent, Senate Committee Told

Washington, Dec. 12 (AP)—Russia still gets wartime lend-lease goods from America, the Senate appropriations Committee learned today, and Chairman Bridges (R., N.H.) branded it "an underground movement" by our own officials violating the intent of Congress.

"It's shocking to the American public and it's shocking to me," Bridges told Willard Thorp, Assistant Secretary of State, who denied an attempt was made to defeat the intent of Congress.

Thorp said the Russians had title to the materials, agreed to pay for them and were moving them as Russian ships became available. He said they are "of lend-lease origin, but not the property of the United States Government."

O'Mahoney Defends Action

Bridges termed this a subterfuge and contended the department is flouting the intent of Congress. The lawmakers had inserted into an appropriations bill a prohibition against using funds to ship lend-lease goods to Russia.

Senator O'Mahoney (D., Wyo.) broke in to say the United States is getting critical materials in return for the shipments. He said that if any Government agency tried to cut off the shipments to Russia it might be accused of risking "a war without the consent of Congress."

Across the Capitol, Representative Weichel (R., Ohio), chairman of the House Merchant Marine Committee, told colleagues that two American ships, Russian operated, left New York November 18 for Odessa, and December 4 from Longview, Wash., for Russia, with machinery.

He declared that appointees of the President "go merrily on sending goods to Russia in ships owned and paid for by the taxpayers in ships Russia does not return."

More Greece Aid Seen

Tacoma, Wash., Dec. 12 (AP)—The State Department is giving "serious consideration" to increasing the amount of the $300,000,000 aid program for Greece, a top official said tonight.

George C. McGhee, co-ordinator of American aid to Greece and Turkey, made the disclosure in an address before the Tacoma World Affairs Council meeting at the College of Puget Sound.

McGhee gave no estimate of how much more the Administration might request from Congress to help Greece fight Communist-led guerrillas in the north. He made it plain, however, that the extra money would be sought for strictly military help to the Greek Government forces.

The long-range Marshall plan can take care of Greece's economic needs, he said, but not Greece's "equally important" military requirements.

Russian Jap Pact Bar Seen

Washington, Dec. 12 (AP)—Russia was reported today to be threatening a deadlock on reparations from Japan while demanding $10,000,000,000 from Germany.

Diplomatic informants said the Soviet delegate has served notice on the eleven-nation Far Eastern Commission that a United States proposal, which would trim down Russia's share of any war indemnity from Japan, is unacceptable to Moscow.

A majority of the other nations represented on the commission have accepted the proposal. It was submitted last month in an effort to break a ten-month stalemate on the method of distributing the industrial plants and other reparations items to be exacted from Japan as compensation for her wartime aggression.

Blocks Peace Conference

The reparations question is under consideration by the commission, apart from the Japanese peace treaty.

Russia likewise has brought to a standstill an American-sponsored move by the Allies to call a peace conference, contending the Pacific Big Four powers should take the initiative.

The Russian rejection, announced by Semen K. Tsarapkin, was described by other FEC delegates as short of a final veto.

They said there still was hope of breaking the impasse. Britain also has raised objections to the American proposal but has stated no final decision.

"Big Four" Must Concur

The Pacific Big Four—Russia, Britain, China and the United States—must concur in any decisions by the commission, which otherwise are taken by a simple majority.

If Russia alone should refuse to go along with a reparations settlement accepted by the other Pacific Allies, it might be put into effect temporarily by means of an American interim directive to Gen. Douglas MacArthur as supreme Allied commander in Japan. By this device advance reparations transfers already have been authorized for China, the Netherland Indies, the Philippines and Britain.

Largest Share To China

The reparations question has been in dispute since last February, when the nations which took an active part in the war on Japan filed conflicting claims. The United States, to end the deadlock, proposed a general scaling down, offering as a part of the settlement to share with others any reparations allotted this country.

Under the United States proposal, China would receive the largest share—30 per cent of the total pool instead of the 40 per cent initially asked. Nanking said it was ready to accept the reduction, informants said.

Russia initially asked 15 per cent of the total reparations, regardless of wholesale removals of industrial equipment by her occupation forces in Manchuria. The reduced figures proposed by the United States as Moscow's share was not disclosed.

395 MILLION SET AS FINANCIAL GOAL FOR WORLD JEWRY

ATLANTIC CITY, N. J., Dec. 12—(AP) Jewish leaders learned today it will cost a minimum of $395,367,000 to meet the 1948 needs of world Jewry—including the setting up of a partitioned state and the mobilization of an army in Palestine.

Three agencies which operate with funds provided by the United Jewish Appeal reported to a national conference of 1,500 Jews the major portion of the unprecedented sum will have to be raised through contributions by American Jewry. The balance, they said, will be sought in the form of bank loans.

The agencies—United Palestine Appeal, the Joint Distribution Committee, and the United Service for New Americans — are operating with a debt that will total some $65,000,000 by Dec. 31, a UJA spokesman said. The money asked for 1948 will not be used to pay off

the deb, he said.

Representatives of the three agencies listed these financial requirements:

UPA, $283,156,000.
JDC, $98,547,000.
USNA, $13,664,000.

Eliezer Kaplan of Jerusalem, treasurer of the Jewish Agency for Palestine, said the UPA needs its funds to settle 75,000 European Jews, including 24,000 children, in the new Jewish state next year. Of the total sum, Kaplan said, $28,000,000 will be used to mobilize an army comprising 5,000 regulars, members of the present defense force (Hagana), and "tens of thousands of men."

Kaplan said in an interview he will ask the United States to sell weapons to the new Jewish state for any army that will be without uniforms at first, but whose members will be distinguished by arm bands. Kaplan said he also will ask the United Nations for a "token force" so that Arab nations "will think twice before entering any strife" in Palestine.

Millions Sought Of U.S. Jews For Palestine

Atlantic City, Dec. 12 (AP)—American Jewry was asked today to provide $283,156,000 for aid to Palestine in 1948, a sum that would include $28,000,000 for the purchase of arms to equip a Judean army of "tens of thousands of men."

Eliezer Kaplan, of Jerusalem, treasurer of the Jewish Agency for Palestine, told 1,500 delegates to the National Conference of the United Jewish Appeal that a full-time army must be recruited to meet current Arab threats of a holy war. He set no estimate of its strength, other than the army should comprise "tens of thousands."

"We have the manpower to defend and secure the Jewish state, but we need the help of the Jews of America . . . to purchase the necessary equipment and to provide for the training and maintenance of the defense forces of the Jewish state," Kaplan said.

Arms Request Increased

The $28,000,000 arms request is seven times greater than the amount expended by UJA for security costs in 1947.

As soon as British troops withdraw from Tel Aviv and its environs—a move scheduled for Monday—a "police force" of 5,000 men will be needed to maintain order in that area alone, Kaplan said.

Hagana, the Jewish Agency militia, has sufficient trained manpower "to meet any eventuality," Kaplan said, adding:

"Unruly elements will be taught that irresponsible acts will not be tolerated. Hagana will enforce a peace guaranteeing equal security for Jews and Arabs in the Jewish state."

Kaplan said $95,434,000 will be needed to absorb and settle 75,000 homeless European Jews in Palestine next year. The Jewish Agency will give priority to 24,000 orphaned children, he said.

Other Big Items

Other items requiring huge expenditures, Kaplan said, are land acquisition, $57,800,000; agriculture, $27,500,000; urban development, $25,000,000; loan service, $18,000,000; colonization activities, $10,794,000, and education and culture, $5,000,000.

Kaplan likened an influx of 75,000 Jews into Palestine to the arrival of 10,000,000 persons in the United States in a year. He told the delegates there is no "panic" among Jews in Palestine and the Jewish Agency foresaw the current disturbances.

U. S. Cautions Nations Against Gold Subsidies

Warns of Dependence Upon Artificialy - Stimulated Mining to Pay Debts Here

WASHINGTON, Dec. 12 (AP).—The United States cautioned other nations today against becoming dependent on artificially stimulated mining of gold to pay their debts to this country.

Treasury Secretary John W. Snyder, in a statement on behalf of the Administration's National Advisory Council, said:

"The United States would view with disfavor any tendency for countries to become dependent on subsidized gold production as a solution to the problem of arriving at and maintaining equilibrium in their balances of international payments."

In addition, the council's statement said "there are no grounds" which would justify the United States in instituting a subsidy to encourage production of gold in this country.

Despite the statement, a reporter learned authoritatively that the United States has reluctantly accepted a newly revised Canadian plan to subsidize its gold production. The statement was interpreted by officials to mean opposition to gold production subsidies in principle, rather than renewal of opposition to Canada's plan.

The United States is not only the world's biggest owner of monetary gold, but also its biggest buyer. At present the United States owns $22,700,000,000 in monetary gold, which is more than three-fifths of the total world supply, Mr. Snyder's statement showed.

He also said the United States has bought $2,700,000,000 in gold from foreign countries the first eleven months of this year.

The Administration has authority to cease purchasing gold from other countries, but Mr. Synder gave no hint this may be invoked.

McCormick Reports '38 Pact For War On Reich

Chicago, Dec. 12 (AP)—Col. Robert R. McCormick, editor and publisher of the Chicago *Tribune*, said tonight he had learned "that in 1938 an agreement was made for the United States, France, England and Holland to make war on Germany and Japan."

Colonel McCormick, in a speech at a Chicago Economic Club meeting, said he learned of such an agreement on his recent 25,000-mile air tour of the Pacific.

"I use the word 'agreement,' of course, because it was not a treaty submitted to the Senate, and great efforts have been made to keep the agreement secret," the publisher declared.

Colonel McCormick said "the plan was the plan of the French general staff and accepted without question by our own staff which, at that time, followed the French staff as almost supernatural."

Rice-Purchase Promise For Asia Reported

Washington, Dec. 12 (AP)—An Agriculture Department promise to purchase 250,000 hundred-pound bags of rice for export to Asia was reported today by Representative Larcade (D., La.).

The rice was offered, Larcade said, under an agreement reached last week between rice millers, congressmen from Louisiana, Arkansas and Texas and representatives of the department.

The department agreed at that time, he said, to pay from $9.20 to $11 per hundred pounds for Grade 5 rice. This, he said, was from half a cent to a cent a pound above previous prices the department had been willing to pay.

S.S. Friendship Food Leaves N.Y. For Italy

New York, Dec. 12 (AP)—Rechristened the S.S. Friendship Food, the former S.S. Exiria sailed today for Italy carrying 5,000,000 pounds of food gathered on the trip of the Friendship Train across the United States.

The food, valued at $3,000,000 and due to reach Italy before Christmas, is the first cargo of the gift items to be sent to Italy. Some of the donated food already has been dispatched to France, the other recipient nation.

Rumania Jails CARE Staff, Escaped Official Discloses

Reports Husbands of Typists Also Arrested and Hidden—Ending of Package Delivery Delayed to Get Representative Out Alive

N.Y. TIMES

By ALEXANDER FEINBERG

The announcement by CARE (Cooperative for American Remittances to Europe, Inc.) of the end of its operations in Rumania was withheld until it succeeded in getting its representative out of that country alive, it became known yesterday.

Shortly after the safe arrival here on Tuesday of Tucker P. E. Gougelmann, the CARE representative, CARE on Wednesday said it would no longer deliver food and clothing packages to Rumania. Paul Comly French, executive director, charged the Rumanian Government with violating its agreement with CARE in trying to collect customs on CARE packages, attempting to gain control of their distribution and jailing a CARE representative. That representative, it was disclosed, was Mr. Gougelmann.

CARE officials, it was learned, were informed by Mr. Gougelmann upon his arival that its entire staff in that country, comprising eight Rumanian nationals, are being held in jail. Arrested also, he told them, were husbands of secretaries and typists employed by CARE, whose present whereabouts are unknown.

Cognizant for some time of what was happening, CARE remained silent because it became "a question of getting Gougelmann out alive."

Mr. Gougelmann's reluctance to tell it at first hand, it was said, was actuated by fears for the safety of the CARE staff. The State Department was apprised of the facts and late Thursday Alexander B. Hawes, general counsel for CARE, was informed in Washington that the State Department had no desire to put a stricture on publication even if it were in a position to do so.

Mr. Gougelmann left by plane yesterday afternoon for a West Coast city to join his wife, whom he has not seen in seventeen months. Despite the State Department's "clearance," he still was reluctant to submit to an interview but some of his experiences were embodied in a "chronological resume" of CARE operations in Rumania, which was made public last night with a statement by Mr. French.

Statement by French

Mr. French's statement follows:

"On Wednesday I released the information that CARE had withdrawn its mission to Rumania and terminated its delivery of food and textile packages there. I explained that this action was taken because of repeated violations of the CARE agreement on the part of the Rumanian Government. The release enumerated several of the violations.

"Since this announcement was made I have received many inquiries for further data and information to substantiate these charges. In order to set the record straight I am releasing a chronological resume of our operations in Rumania.

"I should like to state that CARE has never in any other country encountered difficulties such as those imposed by the Rumanian Government. I feel that we were not able to make the Rumanian Government understand the nature of our non-profit operations in delivering food and textile parcels to Rumanian citizens as personal gifts from their friends and relatives in America. CARE is strictly non-political. Our packages are delivered to the recipients named by American donors, with every parcel labeled simply: 'CARE, USA.'

"The full list of countries to which CARE packages may now be sent includes Austria, Belgium, Bulgaria, Czechoslovakia, Ireland, Finland, France, Germany (American, British and French zones and all of Berlin), Great Britain, Hungary, Italy, the Netherlands, Greece and Poland."

"Incidents" Are Reported

The chronological report released by Mr. French contained "incidents" reported by Mr. Gougelmann. These included charges that delivery of all CARE packages was watched "indirectly" by members of the Rumanian Secret Police, particularly in the provinces; that CARE's employes in Bucharest had their telephone wires tapped and their living quarters searched, and that CARE's executive board voted to delay withdrawal from Rumania until Mr. Gougelmann's personal departure could be arranged and until delivery of as many as possible of its last 15,000 parcels consigned to that country.

It disclosed also that CARE had asked for a clarification of the sit-

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uation from Michail Ralea, Rumanian Minister to the United States, on Sept. 16 last, setting a deadline for a reply for Sept. 23. No reply was received but CARE waited more than two months before officially announcing an end of its operations in Rumania.

of its parcels to another country.

5. Meantime, Mr. Gougelmann reported such incidents as the following:

"Rumanian Government claimed

DEC -1947

CARE's Rumanian Story

NY TIMES

Following is a chronological report issued last night by CARE (Cooperative for American Remittances to Europe, Inc.) of events leading to its decision to end delivery of parcels to Rumania, and incidents related by Tucker P. E. Gougelmann, CARE's Rumanian representative who returned recently to the United States:

1. Rumanian Legation in Washington approached CARE, urging that CARE's service be extended to Rumania in view of approaching famine. Agreement reached on Feb. 7, 1947; signed Feb. 23, 1947, by Michail Ralea, Rumanian Minister to the United States. Among other conditions, agreement provides for duty-free entry of CARE parcels into Rumania, and for supervision of all deliveries by CARE personnel.

2. The first shipment of CARE parcels arrived on April 16 at a Rumanian port. They entered the country without difficulty. A later shipment of 15,000 parcels arrived at Constanza Aug. 7. On the same day, Tucker P. E. Gougelmann, CARE's chief of mission in Bucharest, was notified by the Government for the first time that, contrary to the provisions of the agreement, full import duties, amounting to approximately $50,000, would be charged on the shipment of 15,000 CARE parcels unless they were turned over to the Ministry of Interior for distribution.

3. Mr. Gougelmann, having obtained an ad hoc arrangement with Rumanian authorities, was permitted to land the 15,000 CARE packages without surrender to the Government. Deliveries proceeded to beneficiaries from a combined office-distribution center in Bucharest, opened May 15, and, in the provinces, through tours of the CARE jeep and truck over predetermined routes, where recipients could meet the vehicles and take personal delivery of their parcels.

4. A later shipment of CARE parcels was scheduled to dock at a Rumanian port on Sept. 10. On Sept. 9, Mr. Gougelmann was notified that, again, full duties must be paid or these packages must be surrendered to the Rumanian Government for delivery. CARE therefore diverted this shipment

the CARE agreement was not binding because it was never actually signed by an official in Bucharest."

"Delivery of all CARE packages at all times was watched indirectly by members of the Rumanian Secret Police. There was little interference in Bucharest itself, but there was hindrance in deliveries in the provinces. In one instance, a report was sent to Bucharest by the Prefect of a town to the effect that CARE was distributing political propaganda on a large scale. On another trip to the provinces, I was arrested and held for questioning. The American Legation in Bucharest arranged my release."

"All CARE's employes in Bucharest were questioned from time to time, and their living quarters searched. Our telephone conversations were tapped."

6. Alexander B. Hawes, general counsel for CARE, wrote Michail Ralea, Rumanian Minister to the United States on Sept. 16, 1947, asking for clarification of the situation, and stating:

"We must, therefore, ask that if the Rumanian Government wishes CARE to continue on the basis contemplated by the February agreement, CARE be informed not later than a week from today, Sept. 23."

No reply was received.

7. CARE's executive board voted to delay withdrawal from Rumania until Mr. Gougelmann's personal departure could be arranged, and until he had completed as many deliveries of the 15,000 parcels as possible in line with CARE's commitments to American donors.

8. Mr. Gougelmann left Bucharest Dec. 3. He reports as follows:

"It took me three weeks to secure an exit permit. When the permit was finally secured, I was given a route which I had to travel to reach the border. On reaching the border, I and my Rumanian assistant were forced to remove all tires, tubes and wheels from our jeep and station wagon. These were searched in every possible place. Extra gasoline cans were removed, all personal belongings were thoroughly searched, and even the chest containing CARE's records was opened and searched."

Mr. Gougelmann arrived in the CARE office, 50 Broad Street, New York, on Dec. 9.

PAULEY DEFENDS HIS SPECULATIONS (H)

Denies Profiting from Information Gained as U. S. Official.

WASHINGTON, Dec. 12 — (AP) Edwin W. Pauley, defending his grain market speculations as "the good old American way," testified today that he "did rather well" in trading this year—but not through information gained as a government official.

Summoned to Capitol Hill on the heels of charges that daministration "insiders" have profiteered in foodstuffs speculation, Pauley asserted he has rid himself of nine-tenths of his holdings in commodities since Sept. 3 when he became special assistant to the Secretary of the Army Royall.

Asked how much money he had put up to acquire the holdings, he said "something less than a million dollars."

Defends Transactions

His liquidation operations were carried out in accordance with an agreement with Royall. He told the Senate Appropriations Committee. As a result, he said, he is "currently more than $100,000 worse off than if I had retained the grain." His transactions have been "perfectly proper and ethical," he declared.

On the senate floor, Senator Williams (R-Del) assailed the administration as "trying to manipulate the market." He said purchases by government officials should be scrutinized to learn "whether they coincided or came a few days before (crop) reports of the Agriculture department."

His advice to investigators came as house leaders, too, prepared to follow up charges made by Harold E. Stassen, candidate for the GOP presidential nomination, that "insiders" in the government have speculated in food markets and caused prices to rise.

The fast-moving Pauley investigation, plowing through a full morning session of questions, also developed:

Says Truman Unaware

1. An assertion by Pauley that President Truman could not have known—and neither could Secretary of Agriculture Anderson—that Pauely was operating in commodity markets when they blasted at speculators as raising the cost of living. On Oct. 5, Mr. Truman assailed the "greed of speculators who gamble on what may lie ahead in our commodity markets."

2. A promise by Pauley to lay before the committee the record of his market dealings, including complete accounts of his tradings in grains and other foods during the time he was a special ambassador for President Truman in a reparations study abroad.

3. Pauley said he had been trading in commodity futures since about 1940.

4. Pauley, onetime treasurer of the Democratic National Committee, testified he consulted Senator Taft (R-Ohio) last August about the possibility of winning confirmation for appointment in the army department. His present post does not require confirmation. Pauley collided violently last year with a senate committee when he was nominated as undersecretary of the navy. He withdrew before the committee acted.

DEC -1947

Truman 'Not Aware' Of Pauley's Deals (D)

Washington, Dec 12 (AP)—Edwin W. Pauley testified today that neither President Truman nor Secretary of Agriculture Anderson could have known when they criticized speculators that Pauley was operating on the commodities market.

Pauley, a special assistant to Secretary of the Army Royall, made the statement before the Senate Appropriations Committee as he testified he is $100,000 worse off" because he started selling his holding in commodity futures after taking over the post last September 3.

Mr. Truman in a radio address October 5 criticized the "greed of speculators who gamble on what may lie ahead in our commodity markets." Later, in laying his ten-point anti-inflation program before Congress, the President asked legislation to regulate speculative trading on the exchanges.

"Less Than Million"

Pauley testified he held "something less than $1,000,000" worth of commodities when he took the army post.

In a statement to the committee he said that he had "liquidated approximately 90 per cent of those commodities, reducing my holdings of grain from 500,000 bushels to approximately 50,000 bushels."

Later he told the senators that that he "did rather well" in commodities trading this year.

Denied Truman Knew

But he denied, under questioning by Senator Ferguson (R., Mich.), that President Truman could have "conceivably" known of Pauley's activities on October 5 when Mr. Truman declared that the cost of living must not be a football kicked around by gamblers speculating in the market.

"I have no reason to believe that in any conceivable way the President knew that I was in the market," Pauley testified. Earlier he had said that "I dealt in everything I could make a profit in, in the good old American way."

Pauley also testified he has not had any conversation with Secretary Anderson about the grain market. He made this statement when Ferguson asked pointedly if Pauley was in Hawaii last August when Anderson also was there. Pauley admitted that he was, but said he did not talk with the Secretary about grain.

"Not In Wheat"

Ferguson recalled that Anderson, Secretary of Commerce Harriman and Attorney General Clark had been empowered to obtain the names of all persons whose transactions in grain exceeded 20,000 bushels.

Pauley said Secretary of the Army Royall was wrong in saying that Pauley's grain trading was in wheat.

Pauley said he held futures on a half million bushels of grain— 200,000 bushels of corn and 300,000 bushels of oats—plus similar future contracts on 300,000 pounds of cottonseed oil, 500,000 pounds of lard and "43 contracts on hides."

Dealt In Futures

Pauley said most of his commodity trading has been continuous since about 1940, adding that he regularly has dealt in futures.

Ferguson wanted to know how much Pauley had deposited on these holdings.

"It was less than a million dollars," Pauley replied. "I can't say how much less."

Ferguson asked how much Pauley's holdings would have been worth if he had sold them all when he entered the Government post.

"An Orderly Manner"

"I can't say," Pauley replied. "I do not have the books."

Pauley explained that he maintained "an office organization" in California and "tells them what to do."

He added that when he promised to liquidate his holdings, he directed sale of his futures "in an orderly manner."

Ferguson—Had you bought any wheat future in 1947?

Pauley—I'm sure I did. I bought most everything on the board.

Ferguson then asked if Pauley ever traded as a trustee for anyone else.

Pauley said he had done this for an employé as "a bonus."

Ferguson said he is going to insist that Pauley bring his books before the committee.

"I am not being singled out here as just one person who has dealt on the markets, am I?" Pauley asked.

"May Have Books"

Chairman Bridges (R., N.H.) broke into say that so far as the committee is concerned it wants to know about any similar transactions by any Government official. He assured Pauley that others would be called to testify.

"Then you may certainly have my books and I am proud to give them to you," Pauley said.

"Did Rather Well"

Ferguson cited a recent statement by Attorney General Clark in Boston that grain speculators had been profiteering in human misery.

Pauley broke in to observe: "Senator, if the purchase of grain

DEC -1947

creates human misery, then my selling of grain relieves human misery and I have done both."

"And each time you made a profit?" Ferguson asked.

Pauley replied: "No, that's not true, but overall I did rather well."

In a statement prepared late yesterday, Pauley described his dealings as a hedge against inflation and said more people ought to be buying commodities for the same reason.

To Answer Stassen

Ferguson wanted to know why Pauley prepared that statement.

"It was prepared really to answer a candidate—a political candidate," Pauley said.

"That would be Harold Stassen?" Ferguson asked.

"Yes," Pauley answered.

Stassen, now seeking the Republican presidential nomination, said Wednesday that "insiders" in the Truman Administration have made money trading in food. Stassen suggested that Pauley, for one, should disclose his market holdings.

Led To Summons

This led to Pauley's summons to appear before the committee.

Pauley testified that his dealings were almost wholly in futures and speculation on the commidity markets. He denied, however, that he never intended to take delivery of commodities, adding that within the last two years he has taken possession of grain.

Pauley said that after he went into Royall's office as an assistant, his employés had purchased 50,000 bushels of grain, a transaction he financed as a bonus for them.

Ferguson wanted to know if it was bought in Pauley's name.

"Insignificant Item"

"Apparently that is correct," Pauley said. He alluded to this as an "insignificant item."

He said this transaction was carried out after he went into office under instructions given the employé "long before."

"Why did they purchase this in your name?" Ferguson demanded.

"I anticipated they would use their own names but they did not," Pauley replied.

Ferguson said the Commodity Exchange Authority "apparently doesn't want Congress to know the names" of persons its investigations have found are trading in commodities.

Prohibited By Law

He said he asked J. M. Mehl, the authority administrator, for the names and Mehl told him he was prohibited by law from supplying them.

Ferguson said he disagrees with this conclusion by the authority, which includes Cabinet Members Anderson, Clark and Harriman.

He said the purpose of the statute Mehl referred to is "to provide information for the use of Congress" and that in addition it authorizes the Secretary of Agriculture to "publish from time to time in his discretion" the names of large traders.

Different Markets

Ferguson wanted to know whether Pauley has traded on more than one market, commenting it would be possible to evade provisions of the reports statute by buying small quantities on different markets.

"In my case there will be no evasion on any market anywhere in the world, on any exchange, any place," Pauley said.

When Pauley said he had been "intermittently" in Government service the last couple of years, Ferguson wondered whether his travels as a special representative of the President on a reparations commission and in such posts had given Pauley information he used in trading.

Information Available

Pauley said the same information he got was available to anyone who traveled, to a newspaper reader, or to a casual observer.

The witness said: "I was in Russia and in northern Korea and a number of Russian-occupied zones," but added "you cannot watch the markets" in those places.

Ferguson said he assumed Pauley held his market trades six months so he would have to pay only a 25 per cent tax on profits as capital gains rather than the higher income tax because Pauley was in the "upper-tax brackets."

Called In Hawaii

Pauley said that was correct and noted that after he sold most his holdings prices continued to rise.

Asked "who sought out your services in the Army," Pauley said Secretary Royall telephoned him in Hawaii. He said Anderson and former oPstmaster General Robert E. Hannegan, who were there, told him to use his own judgment about taking the post.

Pauley denied firmly that he ever talked to Mr. Truman about it or that the President knew anything about his getting the Army position.

"I'm For Truman"

Pauley agreed with Ferguson that Pauley's statement last night was a slap at the "Republican party and Stassen." Pauley said then that certain "loose charges have been tossed about by some political parties and candidates" about speculative trading and price increases.

He denied he was talking about Mr. Truman, Anderson or Clark, all of whom have made utterances against speculative trading.

"I think it's well known that I'm for Truman. He's a great man and I'm for him and I would not do anything to hurt him," Pauley testified.

Disagreement Cited

Senator Young (R., N.D.) commented that Pauley doesn't agree with Mr. Truman's statement that speculation in the futures market has shot prices upward.

"I don't disagree with President Truman. If there is any dispute between President Truman and me, I'll resolve it in his favor," Pauley replied.

Ferguson wanted to know why Pauley would dispose of his holdings while in the Army post, but continued his operations while a "special ambassador" for the President. Pauley said the jobs were quite different.

"Nobody Accused"

Pauley asked if Ferguson also would require that Congress members refrain from such trading.

"Would you?" Ferguson countered.

Pauley—"It seems to me the people who set the law and make the appropriations have the advance information, but I'm not accusing anybody.

Bridges interrupted, saying the committee "is not the proper forum" for making charges against Congress members.

Pauley commented that "it is within the province of this body" to regulate trading and said "my little market transactions are peanuts in the whole scheme of things."

Not With Philosophy

When questioning led Pauley into opinions about market dealings, Senator O'Mahoney (D., Wyo.) said he thought the hearing was to be concerned with Pauley's official position and not with his philosophy on the grain exchanges.

In a reply to a question by Senator Saltonstall (R., Mass.), the witness said he has not been buying or selling stocks since he joined the department of the Army.

O'Mahoney then asked whether the witness had used any information he gained in the Army department or on the reparations job to influence his trading.

"I have not, directly or indirectly, in any possible way," Pauley said.

Hearing Recessed

Bridges then recessed the hearing, telling newsmen he is calling upon all present Cabinet members for similar reports upon speculative trading by any and all other Government officials or employés in their departments.

On the Senate floor, Senator Williams (R., Del.) accused the Administration of attempting to "manipulate the market," and urged that investigating committees "pay particular attention to purchases by Government officials."

TAFT SAYS PAULEY WAS TURNED DOWN

Washington, Dec. 12 (A. P.).—Senator Taft (R.-Ohio) said today the Senate Republican policy committee, of which he is chairman, turned thumbs down on a proposed appointment of Edwin W. Pauley to be Assistant Secretary of the Army.

Pauley has told the Senate Appropriations Committee he had consulted Taft about Republican reaction to the prospective appointment. Pauley has been serving as special assistant to Army Secretary Royall, a post that does not require Senate confirmation.

Taft told reporters:

"I promised (Pauley) to take the matter up with the policy committee, and the committee decided, in effect, that since it had opposed Pauley's previous nomination as Under-Secretary of the Navy it could not go along on his appointment to the Army job."

Pauley was named for the Navy post in 1946 by President Truman, but the nomination later was withdrawn. In the controversy over Pauley's appointment, Harold L. Ickes resigned as Secretary of the Interior.

LABOR SECRETARY OFFERS CONGRESS PRICE CURB PLAN

Makes Specific Proposals for Ceilings and Roll Backs. (U)

EARLY ACTION UNLIKELY

Schwellenbach to Submit

Wage Control Bill Shortly.

DEC — 1947

WASHINGTON, Dec. 12—(AP) Secretary of Labor Schwellenbach today outlined to congress specific proposals for price ceilings and roll backs as Republicans debeated whether or not to place their own anti-inflation bill before the house Monday on a "take it or leave it" basis.

Schwellenbach sent the proposed price control legislation to the House Banking Committee with a note saying he will submit a wage control bill shortly.

But Chairman Wolcott (R-Mich) told reporters definitely there will be no action at the special session on the Schwellenbach bill, or the one drafted by Secretary of Commerce Harriman asking priority and allocation authority.

"Limited" Price Controls

Schwellenbach said price controls would be limited to those commodities that: Basically affect the cost of living or agricultural and industrial production, and those "essential to effectuation of the foreign policy of the United States."

The labor secretary declared a maximum price ceiling should be applied only if the commodity is found to be in short supply and its price has risen unreasonably beyond that prevailing in June, 1947. Under his proposals price ceilings could not be lower than the highest price prevailing between June 11 and June 18, 1947, except in cases where there have been decreased costs or market declines.

Wolcott, noting that the measure would authorize price ceilings on things "in short supply" asked:

"Is there anything that isn't in short supply except toy balloons and table radios?"

Republicans apparently got their signals crossed on how their bill will be presented to the House Monday. Rep. Allen (R-Ill), chairman of the rules committee, told reporters it would be offered on a "take it or leave it" basis that would bar any attempt to amend it to include the administration proposals.

Adoption of the "no amendment" procedure requires a two-thirds vote to suspend the House rules.

Allen claimed the Republicans had the necessary two-thirds, saying: "A lot of southern Democrats will vote with us. They don't like controls and ration stamps."

House Democratic Leader Rayburn, of Texas, replied that it was an "inexcusable strong arm method to deny the membership of the House the right to present amendments on a bill of this importance."

Speaker Martin (R-Mass) said "nothing has been decided" about the G.O.P. strategy and Wolcott told newsmen it probably won't be decided "until we look the situation over during the week end."

At a press conference late today, Schwellenbach said the price control outline submitted to the House Banking Committee was "my own idea" and cannot be classed as an administration plan.

"I am hopeful, however, that much of the same thing will be included in legislation the administration will submit to Congress," he said. President Truman told a news conference yesterday he would furnish Congressmen with specific ideas on price and wage controls in a couple of days and that later he would supply legislative proposals to cover all of his 10-point program.

Schwellenbach told the banking committee he would send a suggested bill for wage controls next week.

Congress Given Price Curb And Rollback Plan (D)

Washington, Dec. 12 (AP)—Specific proposals for price ceilings and rollbacks under President Truman's request for stand-by anti-inflation powers were submitted to Congress today by Secretary of Labor Schwellenbach.

Replying to Republican demands that the Administration spell out its anti-inflation program, Schwellenbach said price controls would be limited to commodities:

1. That basically affect the cost of living and which are essential items.

2. That are basic to the costs of agricultural and industrial production.

3. Essential to effectuation of the foreign policy of the United States.

Sets Two Rules On Maximum

Moreover, Schwellenbach said a maximum price should be set only when:

1. The commodity is found to be in short supply; 2, or the price

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of such commodity has risen unreasonably above the price prevailing in June, 1947.

Maximum prices lower than the highest price prevailing between June 11 and June 18, 1947, may be established under Schwellenbach's proposals to make allowances for decreased costs or market declines.

Promises Specific Language

Schwellenbach sent the price control provisions to Chairman Wolcott (R., Mich.) of the House Banking Committee, with a note saying he will submit in a day or two specific language for such wage controls regarded as necessary to accompany price ceilings.

Schwellenbach described his outline as his "personal recommendations." At the White House later, after a Cabinet meeting, he said wage and price controls "are tied together" and it will be "extremely difficult to do anything on wages unless action is taken on the control of prices."

GOP Senate Unit Acts

On the other side of the Capitol, the Senate Republican Policy Committee drew up a long-range anti-inflation program pegged to voluntary action. Chairman Taft (R., Ohio) declined to disclose details until House GOP leaders and a conference of all Republican senators have had a chance to look it over.

Taft said, however, that it would include three or four points embraced in the House committee-approved bill drafted by Wolcott, which the Republicans have offered for passage at the special session as a substitute for the Administration's program.

Pepper Pleads For Curbs

On the Senate floor, Senator Pepper (D., Fla.) demanded that Democrats and Republicans get together on a bipartisan program "to hold prices down or to stabilize them." Otherwise, he said, the people will do something about it at the polls, and "woe unto that party responsible for the failure."

Pepper said his remarks were prompted by protests from Florida over sharp increases in the price of fuel oil. He said he had asked Taft to have the Senate-House Economic Committee investigate fuel-oil prices.

Alley Sees Enough Votes

In addition to Schwellenbach's price-control recommendations, Secretary of Commerce Harriman has submitted to a Senate committee specific legislative proposals for priority and allocation controls.

However, the Administration's plan faced strong opposition from Republican leaders. Chairman Alley (R., Ill.) of the House Rules Committee said the GOP substitute bill will be presented in the House Monday on "take it or leave it" basis that would bar any amendments to include the Truman proposals.

"We have the two-thirds vote to carry this plan," Allen said. "A lot of Southern Democrats will vote with us. They don't like controls and ration stamps."

Outrageous, Says Rayburn

Informed of the Republican strategy, House Democratic Leader Rayburn of Texas cried that it is "an outrageous proceeding."

"To deny the membership of the House the right to present amendments for actions of the House on a bill of this importance is an inexcusable strongarm method," Rayburn said.

The four-point Republican plan, which Mr. Truman says is no substitute for his own, is pegged to the idea of letting industry make voluntary agreements designed to bring down prices. Such agreements would be free of anti-trust prosecutions for a limited period.

Mr. Truman told a news conference yesterday that as long as he is President the anti-trust laws will be enforced to the limit.

Nevertheless, a White House official said today that Mr. Truman would accept a relaxation of the laws in cases approved by the Attorney General.

The matter was brought up by reporters who noted that the Administration anti-inflation bill submitted by Harriman provides for easing of the anti-trust laws to permit price reducing agreements.

The White House official commented that the Harriman bill's provision was narrowly limited and covered only voluntary arrangements first submitted to the Attorney General and approved by him. He said this is quite different from the broader proposal he said was embraced in the Republican program.

Would Safeguard Trust Laws

What the President wants to emphasize, he added, is that he reaffirms his support of the anti-trust laws and his opposition to any attempt to weaken them.

"I can't see the Attorney General approving any proposition that would break down the anti-trust laws," this official said.

Aside from the voluntary agreements, the Wolcott bill provides for extension of export controls, expansion of authority over rail transportation and increases in gold reserves behind currency issued by Federal Reserve banks.

Taft said the general Republican program will not include the gold reserves increase. He explained to a news conference this is a complicated subject which the Senate Banking Committee has indicated it wishes to study at length.

Other Provisions Expected

Besides the three points of the Wolcott measure the Republican program is expected to call for drastic reductions in Government expenditures, a cut in individual income taxes, extension of rent controls and other actions designed to curb spiraling cost of living.

Taft said he sees no reason why the Wolcott bill in some form cannot be passed by Congress before it ends its special session the last of next week. He conceded, however, that extended debate in the Senate might kill any action if Congress adjourns by December 19 or 20.

Supplementary Action Seen

The over-all statement of principles by the Republicans covers proposed legislation which will not be considered until the regular session begins in January.

Minority Leader Rayburn said that when the Wolcott bill for voluntary cost of living action comes before the House next week, Democrats will insist on debating procedure under which "we can offer many amendments."

Senator Baldwin (R., Conn.), who has criticized his party's leaders for what he contended was their failure to provide a "positive" program, came out with one of his own. He is plugging for stand-by power somewhat similar to that asked by President Truman, to ration meat, wheat and some other scarce food items.

Senator O'Mahoney (D., Wyo.) attacked the Wolcott bill with an assertion that it turns the whole problem of curbing living costs over to "big business" and provides "no protection for the public."

Representative Frederick C. Smith (R., Ohio) said the measure proposed "just another NRA"—the National Recovery Administration of the mid-30's—with its voluntary-agreements feature.

On the Senate side of the Capitol it seemed plain the Wolcott bill will not get the same fast action it received in the House committee.

Chairman Tobey (R., N.H.) said he is opposed to any plan for having the Senate Banking Committee pass on the entire anti-inflation program charted by the Republican leadership. He said consideration should be split between the Banking and Judiciary committees.

Senator Buck (R., Del.), member of the banking group, said he will insist that the committee hold hearings on the gold reserves provision.

DEC - 1947

GOP REPORTED NEAR ACCORD ON TAX SLASH

DEC 1947

House Ways And Means Unit Studies Plan For $5,250,000,000 Cut

Washington, Dec. 12 (AP)—House Republican tax managers were reported near agreement tonight on a $5,250,000,000 personal income tax-slashing measure to be introduced probably next week for congressional action in January.

GOP members of the tax-framing House Ways and Means Committee met behind closed doors to go over the bill. Committee Chairman Knutson (R., Minn.) said the gathering was informal and no decision was reached on the final draft of the bill.

However, it was understood they discussed a new bill embodying for the first time specific stipulations for percentage as well as other type tax cuts.

Tentative Draft Outlined

The tentative draft was reported to provide:

1. An increase in personal tax exemptions from the present $500, to $600, thus removing some 6,000,000 low-income persons from the tax rolls and giving some reduction to others of the 42,500,000 taxpayers. This would reduce revenues by about $1,900,000,000.

2. General application of the community property principle, whereby husbands and wives may split the family income equally for tax-reporting purposes, putting the income in lower rate brackets and saving on taxes. This would cost the Treasury about $600,000,000.

3. Certain revisions of gift and estate taxes, at a cost of $150,000,000.

4. In addition, percentage cuts—30 per cent for persons with net taxable incomes of not more than $1,000; twenty per cent for persons with taxable incomes above $1,000 but not more than $4,000 (the twenty per cent would apply to all of such persons' income, the 30 per cent not carrying through to the first $1,000 of persons with larger income); ten per cent cut on that part of any taxable income over $4,000. The Treasury probably would lose about $2,400,000,000 in revenue.

Special Exemption

5. A special exemption for persons over 65 years of age, reducing revenues about $200,000,000.

Republicans are expected to make tax-cutting a major point in their long-range anti-inflation program. Yesterday Representative Dingell (D., Mich.) introduced a $5,500,000,000 tax-reduction bill, but it, like other proposals, will be sidetracked for the GOP measure.

President Truman used his veto power earlier this year to kill two $4,000,000,000 Republican tax-cutting bills, saying in his messages to Congress that tax reduction at that time would increase inflationary pressures by increasing the spending money that bids up prices of scarce goods.

TRUMAN-'IKE' TALK LIMITED TO 'ARMY'

General Says Conference Was 'Purely Professional'

Washington, Dec. 12 (AP)—Gen. Dwight D. Eisenhower conferred for 30 minutes today with President Truman in what the outgoing chief of staff described as a "purely professional" discussion of army affairs.

White House reporters sought in vain for any political overtones, in view of the speculation that Eisenhower might be drafted as the Republican presidential candidate.

"It was purely professional, I assure you," the five-star officer said. "It was merely about the army and its future."

Charles G. Ross, presidential press secretary, later said the President's version of what went on was the same as Eisenhower's.

"Perfect Agreement"

Eisenhower was asked whether he discussed his pending retirement as chief of staff to accept the presidency of Columbia University.

"No," he said, adding, "we have had perfect agreements on that for a long time."

"You mean you and the President?"

"Yes," Eisenhower answered, "and General Bradley."

He referred to Gen. Omar Bradley, already picked by Mr. Truman to be chief of staff when Eisenhower steps aside.

The date of Eisenhower's departure from the army has never been disclosed, although Columbia University has announced he is moving on the campus next May and will assume the presidency June 7.

'If Re-Elected,' Truman Quoted

Washington, Dec. 12 (AP)—President Truman was quoted for the first time today as speaking of re-election possibilities.

Dr. J. J. Vallarino, the retiring Ambassador from Panama, told White House reporters after bidding goodby to Mr. Truman that the President had told him he might visit Panama "if I am re-elected."

Vallarino emphasized that he and Mr. Truman had spoken in a jocular vein.

ACADEMY GETS NIMITZ KHAKI

DEC 19

Admiral Gives Museum Uniform Worn At Jap Surrender

Washington, Dec. 12 (AP)—Fleet Admiral Chester W. Nimitz, retiring chief of naval operations, today presented to the Naval Academy Museum the khaki uniform he wore when he signed the Japanese surrender document aboard the U.S.S. Missouri in Tokyo Bay September 2, 1945.

This uniform consists of khaki worsted shirt and trousers, visor cap and five-star emblems on the shirt collar.

No tie was included because the order of the day, issued by Gen. Douglas MacArthur, commander in chief in the Pacific, instructed that no ties were to be worn.

He Needs The Shoes

"I'm giving all of the uniform except the shoes, and I need those to walk to California," joked Admiral Nimitz.

The uniform was received by Capt. H. A. Baldridge, curator of the museum.

"And here's a surprise for you," continued Admiral Nimitz. From behind a door in his office he brought out a navy-blue broad-

cloth uniform.

"It's an old navy custom for an outgoing officer to turn over a uniform to his successor or a member of his staff, and this uniform I received from Admiral S. S. Robinson," said Admiral Nimitz.

Admiral Nimitz at one time had been on Admiral Robinson's staff when the latter was commander in chief of the United States fleet.

Donates Native Fan

"I wore this uniform about sixteen years and he wore it at least twelve, but look at it," the Admiral said. "You can hardly tell it has been used, the material in it is so fine."

Admiral Nimitz couldn't pass it on to his successor, as his five-star rank, designated by the gold braid on the sleeves, is a wartime rank and will not be held by Admiral Louis E. Denfeld.

"And here's another surprise," the Admiral said, taking out of a paper bag a South Pacific native fan—a circular woven grass mat edged with feathers.

"My wife says it is attracting moths," said the Admiral, a bit wistfully.

U.S. TO SELL 260 TANKERS

Plan Announced As Fuel Oil Situation Grows Critical

Washington, Dec. 12 (AP)—With the fuel oil situation labelled "critical," because of transportation "bottlenecks" and other factors, the Maritime Commission announced tonight it has authorized the sale of every available T-2 and Liberty type tanker remaining in its jurisdiction.

The commission did not state the exact number of ships involved, or whether the sales were authorized to domestic or foreign purchasers.

It is known, however, that the commission has 51 Liberty type tankers, either in operation or layup, and on October 3 had 209 of the T-2 type.

Released 50 To Navy

Prior to October 3, the commission had agreed to release 50 tankers from its laid-up fleet to the Navy. These now are being prepared for service and presumably are not affected by tonight's action.

Earlier in the day, however, hopes for easing the fuel situation suffered a blow when congressmen were told that T-2 type tankers being readied for return to service have shown a tendency to break in two.

One T-2 type tanker split apart at Boston Tuesday while it was under repair, Max W. Ball, director of the Interior Department's oil and gas division, told a House Interstate Commerce Committee. Then another one broke in two at Hoboken, N.J., Wednesday.

8 Have Come Apart

Ball said that all told "eight of these tankers have come apart since the war."

"It has now been decided," he added, "that all these tankers must be strengthened in the midsection at an expenditure of about $70,000 a tanker and a loss in time of from two to six weeks, meaning they will not be available within the next two or three months as contemplated."

October 3 figures—the last for which records are at hand—showed 109 of the T-2 tankers available for sale by the commission to American citizens and 100 which the commission had earmarked earlier for sale to foreign buyers.

Legal Right To Sell Abroad

The commission's action in authorizing sale of the oil ships followed an opinion by Tom C. Clark, Attorney General, that the commission had a legal right to sell up to 100 tankers to foreign buyers.

This right had been questioned by Senator Wherry (R., Neb.), chairman of the Small Business Committee. He had asked the Attorney General for an opinion as to the legality of the sales in view of the fuel shortage developing in some areas of the nation, particularly New England. At least a part of this shortage has been attributed in testimony before Senate committees to a domestic tanker shortage.

Wherry announced that he disagreed with the Attorney General's opinion and was asking the Senate Interstate and Foreign Commerce Committee to prevent the sale of tankers to foreign purchasers.

Contracts For 25 More

The commission approved the sale of not more than 100 tankers to foreign interests last July 25 after Gen. George C. Marshall, Secretary of State, said that the cabinet felt such a step desirable.

The Attorney General's memorandum disclosed that 26 of the vessels allocated for sale already have been transferred to foreign countires or foreign nationals and that contracts for the sale of 2[illegible] others had been signed.

3 WAA Officials In Car Deal Told They Should Be 'Fired'

Washington, Dec. 12 (AP)—Representative Rizley (R., Okla.), chairman of the House Surplus Property Investigating Subcommittee, today told three top officials of the War Assets Administration they should be "fired."

He made this statement after the trio testified they had obtained or were getting cars through influence of a WAA sales agent.

"The agency contract should be canceled and all of you should be fired out of WAA at once."

Before him sat James A. Mollison, associate administrator of the agency; John H. Carey, deputy administrator of the Office of Aircraft and Electronics Disposal, and Herschel B. Benedict, associate deputy administrator of that branch.

Saw Nothing Wrong In It

Carey, asserting he believed he had done nothing wrong, said he had been driving a 1947 Packard automobile which belonged to A. I. Lodwick, head of Lodwick Aircraft Industries, Inc., Lakeland, Fla., a surplus aircraft component parts sales agent for WAA. This was while waiting for a new Cadillac Carey said he was attempting to get through Lodwick at regular retail price.

Mollison, also asserting he did not consider he had done anything questionable, said he bought a Chrysler car recently which Lodwick was able to obtain for him, turned his old car over to Lodwick for sale and part payment and was waiting to settle the balance when Lodwick sold the car.

While awaiting delivery of the Chrysler he drove the Packard Carey now is driving, he said.

Benedict said he had purchased a Pontiac automobile from a Washington dealer after Lodwick talked with the dealer, later sold the Pontiac and bought a second-hand 1947 Cadillac from Lodwick, paying cash for it.

Motives Not Questioned

All three witnesses said they were not influenced in any way to allocate additional surplus materials to Lodwick.

Rizley, declaring he did not think the people of the United States would put up with such a thing, said he did question the motives or honesty of the three, but considered they had accepted gratuities in a way.

He declared records show the Lodwick agency had received $28,000,000 worth of surplus aircraft components to sell and commissions to date had been over $300,000. This was more, he said, than had been given other Florida agencies.

Carey replied the Lodwick company was one of the most active disposal agents in the nation and was receiving allocations in proportion to what it could handle. Other Florida companies were satisfied with the allocations, he added.

DEC - 1947

MIGHT LEAD FOREIGN MINISTERS

BY WES GALLAGHER

LONDON, DEC. 12-(AP)-A SAVAGE RUSSIAN ATTACK AGAINST THE UNITED STATES, BRITAIN AND FRANCE TONIGHT REDUCED BIG FOUR RELATIONS TO THE LOWEST POINT SINCE THE WAR AND THREATENED AN ALMOST IMMEDIATE BREAKUP OF THE LONDON SESSION OF THE FOREIGN MINISTERS CONFERENCE.

THE MOST ACRIMONIOUS FOREIGN MINISTERS MEETING EVER HELD ENDED ABRUPTLY, OFFICIAL OBSERVERS SAID, WHEN BRITISH FOREIGN SECRETARY BEVIN TERMED SOVIET FOREIGN MINISTER MOLOTOV'S ATTACK ON ALLIED POLICIES IN GERMANY "INSULTS AND ABUSE." U.S. SECRETARY OF STATE MARSHALL DECLARED THE ATTACK MADE IT "DIFFICULT TO INSPIRE RESPECT FOR THE DIGNITY OF THE SOVIET UNION."

CONFERENCE SOURCES SAID MOLOTOV TOSSED HIS CONCILIATORY ATTITUDE OF THE PAST FEW DAYS OUT THE WINDOW OF SEDATE LANCASTER HOUSE AND LAUNCHED AN HOUR-LONG ATTACK.

HE ACCUSED THE WESTERN POWERS OF MAKING "ENORMOUS PROFITS" OUT OF GERMANY THROUGH "HIDDEN REPARATIONS." HE ALSO DECLARED THAT THE UNITED STATES, BRITAIN AND FRANCE WERE TRYING TO "PERPETUATE THE DIVISION OF GERMANY" AS PART OF A STRATEGIC PLAN TO EMPLOY THEIR OCCUPATION ZONES AGAINST WHAT HE DESCRIBED AS THE "DEMOCRATIC COUNTRIES OF EUROPE."

DEC 194[illegible]

THE SUDDEN UNEXPECTED VERBAL ASSAULT BY MOLOTOV CAME DURING A CONFERENCE SHOWDOWN ON REPARATIONS AND MADE IT CLEAR THAT THE "COLD WAR" FOR EUROPE WOULD BE FOUGHT OUT ON THE BASIS OF THE MARSHALL PLAN AND THE SO-CALLED "MOLOTOV PLAN" OF COOPERATION AMONG THE SOVIET-DOMINATED PLANNED ECONOMY STATES OF THE EAST.

A BRIDGE BETWEEN THE TWO THROUGH BIG FOUR AGREEMENTS ON GERMANY APPEARED COMPLETELY IMPOSSIBLE FOLLOWING THE MEETING'S DEVELOPMENTS. THERE WERE INDICATIONS THAT MOLOTOV'S SWITCH FROM CONCILIATION TO AN UNCOMPROMISING OFFENSIVE HAD COME AT THE DIRECTION OF THE KREMLIN.

SOVIET SOURCES INDICATED MOLOTOV HAD TORN UP A SPEECH PREPARED FOR USE YESTERDAY AND MADE A COMPLETELY NEW ONE. THE OFFICIAL SOVIET MONITOR USUALLY RELEASES MOLOTOV'S SPEECHES DURING OR JUST AFTER A CONFERENCE SESSION BUT IT WAS WITHOUT A TEXT THREE HOURS AFTERWARD TONIGHT.

BEFORE TODAY'S SESSION SOVIET SOURCES HAD CIRCULATED A REPORT

DEC -1947

30.24- 14193

THAT MOLOTOV MIGHT OFFER TO DEFER RUSSIA'S $10,000,000,000 (BILLION) REPARATIONS CLAIM, IF THE CONFERENCE WOULD AGREE TO IMMEDIATE ESTABLISHMENT OF CENTRAL ECONOMIC AND ADMINISTRATIVE AGENCIES FOR GERMANY.

WHEN MOLOTOV MADE HIS SPEECH, HOWEVER, HE STOOD FIRM ON THE SOVIET DEMAND FOR $10,000,000,000 REPARATIONS FOR THE U.S.S.R. AND POLAND INCLUDING THOSE FROM CURRENT PRODUCTION. BOTH MARSHALL AND BEVIN HAVE DECLARED THIS DEMAND COMPLETELY UNACCEPTABLE. THE AMERICAN AND BRITON ALSO HAVE INSISTED THAT UNLESS A REPARATIONS SETTLEMENT IS AGREED UPON THERE IS LITTLE USE IN GOING ON WITH OTHER SUBJECTS.

A TEXT MADE PUBLIC BY THE AMERICAN DELEGATION QUOTED MARSHALL AS MAKING THIS REPLY TO MOLOTOV'S CHARGES:

"I HAVE NO COMMENT TO MAKE ON SUCH A PROPAGANDA STATEMENT BUT I WILL ADD THAT CONSIDERING THE PURPOSE AND CIRCUMSTANCES UNDER WHICH WE ARE GATHERED HERE, AND CONSIDERING THE POSITIONS WE OCCUPY IN OUR RESPECTIVE GOVERNMENTS, I THINK MR.MOLOTOV MUST REALIZE THAT SUCH A METHOD OF PROCEDURE MAKES IT RATHER DIFFICULT TO INSPIRE RESPECT FOR THE DIGNITY OF THE SOVIET UNION."

DEC 1947

VLADIMIR PAVLOV, SOVIET BRIEFING OFFICER AND FORMER PERSONAL INTERPRETER FOR STALIN, DESCRIBED MARSHALL'S REPLY AS "A PERSONAL ATTACK ON THE SOVIET GOVERNMENT TO WHICH MR.MOLOTOV DID NOT REPLY."

ASKED IF HE THOUGHT MOLOTOV'S ATTACK WOULD MEAN AN END OF THE CONFERENCE, PAVLOV DECLARED THIS WAS A "MATTER FOR MR.MARSHALL TO DECIDE."

A LARGE SECTION OF THE AMERICAN DELEGATION WAS SAID TO BE URGING MARSHALL TONIGHT TO BREAK OFF THE CONFERENCE ON THE GROUNDS THAT IT WAS ONLY A SOUNDING BOARD FOR SOVIET PROPAGANDA AND FOR ATTACKS AGAINST THE UNITED STATES.

IT WAS UNDERSTOOD THERE WAS A FACTION IN THE BRITISH DELEGATION URGING SIMILAR ACTION.

THE FRENCH WITH SOME UNDERSTATEMENT DESCRIBED THE CONFERENCE AS HAVING REACHED A "CRISIS."

AMERICAN BRIEFING OFFICERS QUOTED BEVIN AS SAYING OF MOLOTOV'S WHOLE ATTACK:

"I WOULD ONLY LIKE TO SAY I HAVE BEEN EXPECTING ARGUMENTS ABOUT THE PROPOSALS ON REPARATIONS WE MADE IN OUR STATEMENT AT MOSCOW (LAST SPRING). WE THOUGHT OUR PROPOSAL WOULD BE STUDIED, BUT WE DID NOT DREAM THAT WE WOULD HAVE INFLICTED INSULTS AND ABUSE ON OUR COUNTRIES IN THE MANNER THAT WE HAVE HAD THIS AFTERNOON.

"I KNOW THAT THE BRITISH PEOPLE AND THE COMMONWEALTH WILL RESENT IT X X X. I THINK MR.MOLOTOV SHOULD HAVE WOUND UP HIS SPEECH BY THANKING US FOR SO LONG LISTENING TO HIM."

MOLOTOV PARTICULARLY ACCUSED THE FRENCH OF RECEIVING HIDDEN REPARATIONS. FRENCH FOREIGN MINISTER BIDAULT, ACCORDING TO THE AMERICAN INFORMANTS, REPLIED:

"I JUST WISH TO SAY, IN THE NAME OF THE FRENCH DELEGATION, THAT WHAT HAS BEEN ALLEGED BY MR.MOLOTOV ABOUT FRANCE AND FRANCE'S ATTITUDE ON REPARATIONS IS CONTRARY TO THE TRUTH."

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EVEN BEFORE MOLOTOV'S LONG SPEECH ON REPARATIONS IT WAS APPARENT THAT THE FRIENDLY MOOD OF THE PAST FEW DAYS--WHICH REACHED A HIGH POINT YESTERDAY WITH AGREEMENTS ON THE GERMAN LEVEL OF PRODUCTION--

HAD VANISHED.

THE EAST-WEST SPLIT BEGAN WHEN MARSHALL ASKED MOLOTOV TO SUPPLY BY MONDAY REPARATIONS FIGURES FROM THEHZW

BY MONDAY REPARATIONS FIGURES FROM THE EASTERN ZONE OF GERMANY.

MOLOTOV DECLARED THAT THE UNITED STATES SHOULD SUPPLY FIGURES BY MONDAY ON THE "MANY ENTERPRISES" BOUGHT BY THE UNITED STATES AND BRITAIN IN WESTERN GERMANY AND THE "ENORMOUS" PROFITS BEING MADE BY "BRITAIN AND OTHER INTERMEDIARIES ON THE SALE OF COAL AT LOW PRICES AND ALSO ON TIMBER."

CONFERENCE SOURCES SAID BEVIN LITERALLY ROARED: "I WON'T WAIT UNTIL MONDAY. EVERY TIME WE ASK FOR INFORMATION WE GET INSULTS, INSINUATIONS AND ACCUSATIONS. IT MAKES ONE A LITTLE TIRED."

MARSHALL AND BEVIN THEN FLATLY DENIED THAT EITHER BRITAIN OR THE UNITED STATES OR PRIVATE FOREIGN INTERESTS HAD BOUGHT ANY INDUSTRIES IN GERMANY AND SAID THAT NOT ONE CENT OF PROFIT HAD BEEN MADE ON COAL.

ANOTHER VIOLENT ARGUMENT FLARED WHEN MOLOTOV CHARGED THE WESTERN POWERS WITH TRYING TO PARTITION GERMANY. HE INCLUDED FRANCE IN THIS ACCUSATION, SAYING AGREEMENTS HAD BEEN MADE TO INCLUDE HER IN A "TRIZONIA."

ALL THREE WESTERN MINISTERS DENIED THIS CHARGE. THEN MARSHALL READ FROM THE PROTOCOL WHICH UNIFIED THE ECONOMY OF THE AMERICAN AND BRITISH OCCUPATION ZONES. HE POINTED OUT THAT THE SOVIET UNION WAS INVITED TO JOIN BUT REFUSED.

CONFERENCE SOURCES SAID MARSHALL ADDED IT WAS DIFFICULT TO DENY CHARGES FOUNDED ON "PERVERSION AND DELIBERATE MISCONSTRUCTION" OF FACTS.

AFTER THESE EXCHANGES MOLOTOV LAUNCHED INTO HIS REPARATIONS ATTACK. HIS CHARGES ALMOST PARAPHRASED THOSE MADE IN THE ALLIED CONTROL CONTROL IN BERLIN BY MARSHALL VASSILY D.SOKOLOVSKY, THE SOVIET COMMANDER, JUST BEFORE THE CONFERENCE STARTED.

AMERICAN AND BRITISH BRIEFING OFFICERS GAVE THIS CONDENSED VERSION OF MOLOTOV'S CHARGES:

DEC -1947

THE THREE WESTERN POWERS HAD FORMED A "COMMON FRONT" AGAINST THE SOVIET UNION AND ITS REPARATIONS DEMANDS. THE SOVIET UNION WAS NOT "BEGGING BUT DEMANDING" ITS FAIR SHARE OF REPARATIONS.

THE UNITED STATES AND BRITAIN ARE SEEKING AN "IMPERIALISTIC PEACE" AND "VIOLATING THEIR OBLIGATIONS."

THE UNITED STATES WAS IMPOSING DEBTS ON GERMANY WITHOUT THE GERMAN PEOPLE'S CONSENT BY FURNISHING FOOD AND OTHER MATERIALS.

THE WEST WAS HINDERING GERMAN ECONOMY IN ORDER TO STIFLE WORLD TRADE COMPETITION AND AT THE SAME TIME WAS EXTRACTING "ENORMOUS PROFITS" IN "HIDDEN REPARATIONS" BY COAL AND TIMBER EXPORTS AND ALLOWING PRIVATE FOREIGN BANKERS AND INDUSTRIALISTS TO BUY GERMAN FIRMS FROM HELPLESS GERMAN OWNERS.

IN CONCLUSION, MOLOTOV CHARGED THE WEST WITH EXERTING POLITICAL AND ECONOMIC PRESSURE INSIDE AND OUTSIDE GERMANY TO BUILD A STRATEGIC BASE IN WESTERN GERMANY AGAINST WHAT HE DESCRIBED AS THE "DEMOCRATIC" STATES OF EUROPE.

JS645PES

THE SOVIET MINISTER ACCUSED THE UNITED STATES OF TAKING WHAT HE CALLED "HIDDEN REPARATIONS" AND REDUCING GERMAN INDUSTRY TO A "DEPLORABLE STATE." THE UNITED STATES, HE SAID, IS IMPORTING INTO ITS ZONE OF GERMANY ARTICLES WHICH COULD BE MADE THERE.

THIS, HE SAID, IS PILING UP A DEBT TO THE UNITED STATES MUCH HIGHER THAN GERMANY'S REPARATIONS BILL AND INCREASING THE DEPENDENCE OF WESTERN GERMANY ON AMERICAN ECONOMY. HE CHARGED THIS IS ALL A PART OF A STRATEGIC PLAN TO EMPLOY WESTERN GERMANY AGAINST THE "DEMOCRATIC NATIONS" OF EUROPE. WHAT GERMANY NEEDS IS A CENTRAL ADMINISTRATION AND AN ALL-GERMAN CONSULTATIVE COUNCIL, MOLOTOV CONCLUDED. 1AA -Ld n-Thing-Jones-Jones)-XXV Reich

SECRETARY OF STATE MARSHALL HAD DEMANDED THAT RUSSIA HALT ALL REPARATIONS DELIVERIES FROM CURRENT PRODUCTION, WHICH HE ESTIMATED AT $500,000,000 (MILLION) YEARLY. MOLOTOV SAID MARSHALL WAS MISTAKEN.

IT IS CONSIDERED LIKELY THAT MARSHALL WILL STAND FIRM AGAINST ANY REPARATIONS DELIVERY FROM CURRENT PRODUCTION, DEFERRED OR OTHERWISE.

BOTH MARSHALL AND BRITISH FOREIGN SECRETARY ERNEST BEVIN HAVE INSISTED AT THE CURRENT CONFERENCE THAT FIRM AGREEMENTS BE REACHED FOR A GERMAN SETTLEMENT AS A WHOLE, AND THAT NO PATCHWORK AGREEMENTS ON SINGLE ITEMS BE ACCEPTED.

THE RUSSIAN STATEMENT WILL REPLY IN DETAIL TO MARSHALL'S CALL ON WEDNESDAY FOR A DEFINITIVE OUTLINE OF THE RUSSIAN STAND ON THE CRUCIAL REPARATIONS ISSUE, SOVIET SOURCES SAID. . . .

THIS STATEMENT, WHICH SOVIET SOURCES SAID SHOULD BE DELIVERED BEFORE THE WEEKEND, PROBABLY WILL BE MOLOTOV'S PROMISED RESPONSE TO U.S. SECRETARY OF STATE MARSHALL'S ASSERTION WEDNESDAY THAT RUSSIA'S REPARATIONS DEMANDS COULD NOT BE PAID WITHOUT EITHER WRECKING GERMAN ECONOMY OR MAKING THE AMERICAN TAXPAYER CARRY THE LOAD.

THE SOVIET MINISTER CONTENDED THAT MARSHALL WAS INCORRECT AND SAID HE WOULD PROVE IT. HIS REPLY WAS EXPECTED YESTERDAY, BUT WAS NOT PRODUCED WHEN THE COUNCIL -- INSTEAD OF DEBATING REPARATIONS -- TOOK UP SECONDARY GERMAN ECONOMIC ISSUES.

THE ONLY AGREEMENT OF SIGNIFICANCE REACHED IN THIS DISCUSSION WAS THAT IF AND WHEN ALL GERMANY IS UNIFIED THE LEVEL OF STEEL PRODUCTION SHOULD BE SET AT 11,500,000 (MILLION) INGOT TONS PER YEAR. STEEL OUTPUT IS MEASURED ON THE BASIS OF OTHER GERMAN INDUSTRIAL PRODUCTION

(TOTAL STEEL PRODUCTION IN THE UNITED STATES THIS YEAR IS EXPECTED TO REACH ABOUT 85,000,000 (MILLION) TONS.)

MOLOTOV SOUGHT TO HAVE THIS TENTATIVE DECISION MADE FINAL AT ONCE AND APPLIED TO ALL GERMANY IMMEDIATELY BY THE ALLIED CONTROL COUNCIL AT BERLIN. THIS IS IN LINE WITH HIS EVIDENT STRATEGY TO GET AT LEAST SOME OVER-ALL AGREEMENT HERE WHICH WOULD PROVIDE A BASIS FOR NEW RUSSIAN INSISTENCE THAT THE UNITED STATES AND BRITAIN SHOULD STOP OPERATING THEIR TWO ZONES JOINTLY AND EXCLUSIVELY OF THE REST OF GERMANY.

MARSHALL AND BRITISH FOREIGN SECRETARY ERNEST BEVIN SUCCESSFULLY INSISTED, HOWEVER, THAT ANY AGREEMENT ON INDUSTRY OR ANY OTHER SINGLE PHASE OF GERMAN ECONOMY MUST BE SUBJECT TO A FINAL OVER-ALL AGREEMENT ON THE ACTUAL ECONOMIC UNIFICATION OF GERMANY.

THREE MAIN ISSUES THUS FAR HAVE DEVELOPED IN THE EAST-WEST FIGHT OVER UNIFICATION. THEY ARE:

ONE: WHETHER ZONAL BARRIERS TO FREE THE FLOW OF GOODS, PEOPLE AND IDEAS SHOULD BE COMPLETELY REMOVED BY THE OCCUPYING POWERS FOR ALL THE ZONES, AS THEY HAVE ALREADY BEEN REMOVED BETWEEN THE BRITISH AND AMERICAN AREAS.

TWO: WHETHER THE REPARATIONS SYSTEM CAN BE WORKED OUT IN A MANNER ACCEPTABLE TO BOTH RUSSIA AND THE WESTERN POWERS. THE RUSSIANS ARE DEMANDING $10,000,000,000 (BILLION) IN REPARATIONS. MOST OF WHICH WOULD BE PAID OUT OF GERMAN PRODUCTION OVER A 20-YEAR PERIOD.

THREE: WHETHER RUSSIA WILL SUPPLY FULL INFORMATION ON ECONOMIC CONDITIONS IN EASTERN GERMANY, INCLUDING WITHDRAWALS OF GERMAN ASSETS, WHICH MARSHALL HAS ASSERTED AMOUNT TO $500,000,000 (MILLION) A YEAR.

ANY CONCESSIONS OF IMPORTANCE BY RUSSIA WOULD HAVE TO BE MADE ON THOSE ISSUES, AT LEAST, ACCORDING TO WESTERN OFFICIALS.

MARSHALL AND BEVIN ARE REPORTED TO BE SET AGAINST ACCEPTING CONCESSIONS ON MINOR POINTS OR ANY PROPOSED RUSSIAN COMPROMISES WHICH WOULD FALL SHORT OF CREATING A TIGHTLY UNIFIED, ECONOMICALLY WORKABLE GERMANY.

MOLOTOV APPEARS TO BE CONVINCED, ACCORDING TO VARIOUS CHARGES HE HAS MADE HERE, THAT IF THE LONDON MEETING ENDS WITHOUT SOME AGREEMENTS ON GERMANY THE WESTERN POWERS WILL MOVE AT ONCE TO ORGANIZE THEIR ZONES INTO A SINGLE ECONOMIC UNIT AND PROBABLY LATER INTO A SINGLE POLITICAL UNIT. HE HAS MADE IT CLEAR THAT HE DOES NOT WANT THIS TO OCCUR, BUT IT REMAINS TO BE SEEN HOW MUCH HE IS WILLING TO CONCEDE TO PREVENT IT.

-- DASH --

(EDS -- IT IS EXPECTED THAT A NEW LEAD ON THE ABOVE STORY WILL BE AVAILABLE BY MID-MORNING. A NEW TOP ALSO IS PLANNED BETWEEN 1 AND 2 P.M. EST FOLLOWING THE END OF THE FOREIGN MINISTERS MEETING).

MK433AES

LONDON, ~~DEC 12~~ (AP)-HOPES THAT A PROPOSED NEW TRADE AGREEMENT WITH SOVIET RUSSIA MIGHT MEAN THE END OF BREAD RATIONING IN ENGLAND WERE DASHED TODAY BY AN AUTHORITATIVE SOURCE, WHO SAID BRITAIN WOULD GET NO WHEAT UNDER THE PACT.

THIS INFORMANT DECLARED THAT BRITAIN WOULD RECEIVE MORE THAN 500,000 TONS OF OATS, CORN AND BARLEY UNDER THE SHORT-TERM AGREEMENT, BUT HAD NOT ASKED FOR WHEAT. THIS, HE SAID, WOULD BE DISCUSSED IN TALKS SCHEDULED FOR NEXT MAY ON A PROJECTED LONG-TERM TRADE TREATY.

THE COURSE GRAINS WHICH WILL BE RECEIVED FROM RUSSIA WILL BE USED FOR POULTRY AND LIVE STOCK FEED, THE SOURCE SAID. FIRST SHIPMENTS ARE EXPECTED IN FEBRUARY.

AGREEMENT IN PRINCIPLE ON THE TERMS OF THE SHORT-TERM PACT WAS ANNOUNCED IN THE HOUSE OF COMMONS YESTERDAY BY J. HAROLD WILSON, PRESIDENT OF THE BOARD OF TRADE, FOLLOWING HIS RETURN FROM MOSCOW. THE BRITISH PRESS SAID LAST NIGHT THE PACT MIGHT MEAN THE END OF BREAD RATIONING.

MK607AES

LONDON, ~~DEC 12~~-(AP)-E W ALLPORT, EUROPEAN REPRESENTATIVE OF THE MOTION PICTURE ASSOCIATION OF AMERICA, WILL DISCUSS WITH HIGH OFFICIALS OF THE BRITISH TREASURY NEXT WEEK THE CONTROVERSIAL 75 PERCENT TAX ON IMPORTED FILMS.

THERE WAS NO INDICATION, HOWEVER, THAT THE GOVERNMENT WOULD MODIFY THE DUTY.

A REPRESENTATIVE OF THE TREASURY SAID "SO FAR AS CANCELLING THE TAX IS CONCERNED, THAT WOULD BE EXACTLY THE SAME THING AS BRITAIN'S EXPORTING $75,000,000 (MILLION) WORTH OF FOOD. THAT IS BECAUSE, WITHOUT THE TAX, OUR DOLLAR RESOURCES WOULD BE DEPLETED BY THAT AMONT BECAUSE OF PAYMENTS TO AMERICAN FILM COMPANIES."

QQ839AES

30.24- 14195

NIGHT LEAD KRUPP (150)

NUERNBERG, GERMANY, DEC 12-(AP)-A FORMER KRUPP [redacted]-TANK DESIGNER TESTIFIED AT AN AMERICAN WAR CRIMES TRIAL TODAY THAT KRUPP-MADE TANKS WERE SECRETLY TAKEN TO RUSSIA IN 1932 FOR A TRIAL MANEUVERS.

THE TANKS, KNOWN AS "LA S" (AGRICULTURAL TRACTOR) WERE A "TOY REPRESENTING NO WEAPON OF TACTICAL IMPORTANCE," THE WITNESS, JOHANN HOFFMAN, DECLARED IN CLAIMING HE COULD NOT RECALL WHETHER THEY WERE A PROTOTYPE FOR THE PANZER ARMIES HITLER USED IN HIS BLITZKRIEGS.

THE PROSECUTION IS TRYING TO SHOW THAT THE GERMAN ARMAMENTS IRM BEGAN REARMING GERMANY FOR AGGRESSIVE WARFARE SOON AFTER THE FIRST WORLD WAR IN VIOLATION OF THE VERSAILLES PEACE TREATY.

"WHEN WE STARTED THE CONSTRUCTION OF TANKS IN 1926 NOTHING WAS SAID ABOUT THE VERSAILLES TREATY," HOFFMAN TESTIFIED, EXPLAINING THAT THE FACT THE TANK DESIGNS WERE DRAWN AT KRUPP "WAS A MATTER VERY LITTLE KNOWN." THOSE WHO PARTICIPATED IN THE WORK, HE ADDED, "WERE PLEDGED TO SECRECY."

JK414PES

DEC - 1947

BUT ALSO TO PROTECT THOSE WHO DO NOT WANT TO JOIN THE STRIKE" AND HAD THE FURTHER DUTY OF "ALLEVIATING THE EFFECTS OF THE STRIKE."

HE CHARGED THAT ORGANIZED SQUADS WERE INTIMIDATING NON-STRIKERS BY THROWING STONES THROUGH WINDOWS AND POSING AS POLICE AND TELLING SHOPKEEPERS THE GOVERNMENT WANTED THEM TO CLOSE.

THE VATICAN CITY'S 250 SWISS GUARDS AND GENDARMES WERE RESTRICTED TO THEIR BARRACKS TO PREVENT ANY INCIDENTS, THOUGH A FEW WERE DETAILED TO MAKE TOURS OF THE CITY AND REPORT BACK TO THE VATICAN ON THE PROGRESS OF THE STRIKE.

--DASH--

(EDS: LAST GRAF A13 READ X X X AT LEAST 70 OR 80 ETC)

W&JS516PES

BAD TOELZ, GERMANY, DEC. 12-(AP)-MRS. WALTHER FUNK, WIFE OF THE ONE-TIME GERMAN ECONOMICS MINISTER WHO IS SERVING A LIFE SENTENCE, WAS ACCUSED TODAY OF REJOICING OVER THE DEATH OF PRESIDENT ROOSEVELT WHOM SHE ALLEGEDLY CALLED A "JEWISH TROUBLE MAKER."

THE CHARGE WAS PRESENTED AT THE OPENING OF HER DENAZIFICATION TRIAL. THE PROSECUTION ASKED THE COURT TO DECLARE HER A MAJOR OFFENDER. HER HUSBAND WAS GIVEN LIFE BY THE NUERNBERG INTERNATIONAL MILITARY TRIBUNAL.

THE COURT WAS TOLD THAT UPON HEARING OF ROOSEVELT'S DEATH, MRS. FUNK SAID, "NOW FINALLY THE JEWISH TROUBLE MAKER, DEVIL WAR MONGER, IS DEAD. NOW THERE WILL BE A TURN FOR THE BETTER."

FURTHER HEARING WAS POSTPONED UNTIL DEC. 30.

WB1043PES

ASSOCIATED PRESS PHOTOGRAPHER J.WALTER GREEN WAS HIT BY A POLICE STICK FOR THE SECOND TIME TODAY WHILE TAKING PICTURES OF THE SCENE. HE AND ASSOCIATED PRESS PHOTOGRAPHER FRANK JOEL WERE STRUCK OVER THE HEAD BY POLICE CLUBS EARLIER IN COLONNA SQUARE, WHICH IS JUST OFF THE CONSTITUENT ASSEMBLY BUILDING. Lucent-Rome-(Nite-)-XXX more

PERSONNEL OF THE MINISTRY OF INDUSTRY AND COMMERCE VOTED TO DISREGARD THE STRIKE CALL.

INTEREST IN SCELBA'S DECLARATION TO THE CONSTITUENT ASSEMBLY ABOUT POLICE MEASURES WAS HEIGHTENED BY THE FACT THAT ONE MEMBER, COMMUNIST GIAN CARLO PAJETTA, HAD GOTTEN IN THE WAY OF POLICE CLUBS DURING ONE OF THEIR CHARGES IN THE PIAZZA COLONNA.

PIETRO NENNI, PRO-COMMUNIST SOCIALIST, ALSO WAS CAUGHT IN THE MELEE, BUT WAS NOT INJURED THOUGH ONE CITIZEN NEARBY WAS KNOCKED DOWN BY A JEEP. add-Rome-(Nite-)-XXX arrested

NENNI THEN DEMANDED TO KNOW WHAT INSTRUCTIONS HAD BEEN GIVEN THE POLICE.

IN ANSWER, SCELBA DECLARED THE STATE "CLAIMS THE EXCLUSIVE RIGHT TO MAINTAIN PUBLIC ORDER, HAD THE DUTY TO ASSURE THE RIGHT TO STRIKE

DURING MOST OF THE DAY YESTERDAY THERE WERE HIGH HOPES THAT THE STRIKE--ROME'S FIRST GENERAL WALKOUT SINCE BEFORE THE DAYS OF MUSSOLINI--WOULD BE CALLED OFF, BUT THOSE HOPES WERE DASHED WHEN THE CHAMBER OF LABOR REJECTED GOVERNMENT OVERTURES IN A STRONGLY WORDED COMMUNIQUE.

THE CHAMBER ACCUSED THE GOVERNMENT OF TRYING TO USE "FASCIST METHODS" TO BREAK THE STRIKE AND THREATENED "ENERGETIC METHODS OF BATTLE" IF ALL ARRESTED STRIKERS ARE NOT RELEASED.

POLICE SAID 80 PERSONS WERE ARRESTED WHEN THEY APPEARED WEARING UNAUTHORIZED "CIVIL POLICE" ARMBANDS AND THAT ANOTHER 50 OR 60 HAD BEEN DETAINED FOR ATTEMPTING TO BLOCKADE PUBLIC BUILDINGS, FOR OBSTRUCTING TRAFFIC AND FOR FORCING SHOPS TO CLOSE. THE CHAMBER OF LABOR BULLETIN, THE ONLY PAPER IN THE CAPITAL CONTINUING PUBLICATION, EXCEPT FOR L'OSSERVATORE ROMANO IN VATICAN CITY, SAID 500 HAD BEEN ARRESTED.

THE CHAMBER'S COMMUNIQUE BLASTED AS "SCABS" CHRISTIAN DEMOCRAT LABOR LEADERS WHO SAID THE STRIKE WAS CALLED FOR "POLITICAL" PURPOSES.

LEFTISTS, AND PARTICULARLY COMMUNISTS, HAVE BEEN IRATE AT CHRISTIAN DEMOCRAT PREMIER ALCIDE DE GASPERI SINCE HE EJECTED LEFTISTS FROM HIS CABINET LAST MAY.

A12 add-Rome-(Day DEC tie 1947)-XXX 67,000 men

FOR THE MOST PART, YESTERDAY'S CROWDS IN ROME WERE GOOD-NATURED, PLAYING TAG WITH POLICE JEEPS AND KIDDING THE POLICEMEN. BUT AT SOME PLACES, AFTER THEY HAD CONSIDERABLE TROUBLE WITH SCAMPERING BANDS OF YOUNGSTERS WEARING COMMUNIST BADGES AND COLORS, THE PATIENCE OF POLICE WORE THIN AND THEY BROKE UP CROWDS BY CHARGING THEM IN THEIR JEEPS.

SOME IN THE CROWDS WERE REPORTED TO HAVE SUFFERED SCRATCHES AND BRUISES IN THESE CHARGES. COMMUNIST LEADERS TOOK A SERIOUS VIEW OF THE INCIDENTS AND REMONSTRATED WITH POLICE. THE GOVERNMENT THEN WITHDREW THE POLICE RIOT SQUADS AND SENT TROOPS TO THE SCENE.

THE GOVERNMENT'S LATEST TERMS FOR ENDING THE STRIKE WERE NOT DISCLOSED. THE CHAMBER EARLIER HAD ASKED A 10,000,000,000 (BILLION) LIRE ($18,650,000 MILLION) PROGRAM OF PUBLIC WORKS FOR

UNEMPLOYMENT RELIEF. THE GOVERNMENT OFFERED 11,000,000,000 (BILLION) LIRE, BUT THE CHAMBER SAID THAT INCLUDED PREVIOUSLY APPROVED PROJECTS AND BOOSTED ITS DEMAND TO 14,000,000,000 (BILLION) LIRE. THE CHAMBER ALSO ASKED A CHRISTMAS DOLE FOR UNEMPLOYED.

THE STRIKE TIED UP EVERYTHING IN THE CITY AND PROVINCE OF ROME EXCEPT ESSENTIAL SERVICES AND THE RAILROADS, WHICH CONTINUED TO RUN ON SCHEDULE.

MK-M308AES

GENEVA, DEC 12-(AP)-A FRENCH PROPOSAL FOR AN INTERNATIONAL SOCIAL SECURITY CONFERENCE WAS ONE OF THE PRINCIPAL SUBJECTS FOR DISCUSSION BY THE 103RD SESSION OF THE GOVERNING BODY OF THE INTERNATIONAL LABOR OFFICE, WHICH OPENED HERE THIS MORNING.

DEC -1947

OTHER ITEMS ON THE AGENDA INCLUDED PREPARATIONS FOR THE 1949 SESSION OF THE INTERNATIONAL LABOR CONFERENCE AND ACTIONS ON DECISIONS TAKEN BY THE CONFERENCE AT ITS 1947 SESSION IN JULY.

THE GOVERNING BODY WAS ALSO SCHEDULED TO DISCUSS REPORTS FROM SUBSIDIARY ORGANIZATIONS, INCLUDING THE REGIONAL LABOR CONFERENCES IN ASIA AND THE MIDDLE EAST; THE IRON AND STEEL COMMITTEE AND THE METAL TRADES COMMITTEE, WHICH MET AT STOCKHOLM IN AUGUST AND SEPTEMBER; THE JOINT MARITIME COMMISSION AND THE INTERNATIONAL CONFERENCE OF LABOR STATISTICIANS.

LUIS ALVARADO OF PERU WAS UNANIMOUSLY ELECTED CHAIRMAN OF THE GOVERNING BODY AFTER HELIO LOBO OF BRAZIL WITHDREW IN HIS FAVOR. JAMES D.ZELLERBACH, SAN FRANCISCO PAPER MANUFACTURER, WAS UNANIMOUSLY ELECTED A VICE CHAIRMAN AS A REPRESENTATIVE OF EMPLOYERS.

LEON JOUHAUX, GENERAL SECRETARY OF THE FRENCH GENERAL CONFEDERATION OF LABOR, WAS REELECTED VICE CHAIRMAN FOR THE THIRD SUCCESSIVE YEAR.

ALVARADO WAS CHOSEN AFTER THE 18 REPRESENTATIVES OF GOVERNMENTS AGREED THAT THE CHAIRMANSHIP SHOULD BE ROTATED AMONG CONTINENTS. HE SUCCEEDS SIR GUILDHAUME MYRDDIN-EVANS OF GREAT BRITAIN.

THE CONFERENCE HEARD TRIBUTES READ TO THE MEMORY OF JOHN G.WINANT, FORMER ILO DIRECTOR AND U.S.AMBASSADOR TO LONDON, AND TO ROBERT WATT, FORMER DELEGATE OF THE AMERICAN FEDERATION OF LABOR.

QQ1109AES

DEC -1947

GENEVA, DEC.12-(AP)-THE UNITED NATIONS COMMISSION ON HUMAN RIGHTS DEFEATED TODAY A RUSSIAN ATTEMPT TO MAKE "ADVOCACY OF NATIONAL RACIAL AND RELIGIOUS HOSTILITY" A PUNISHABLE CRIME.

THE VOTE WAS 10 TO 4. MRS. FRANKLIN D. ROOSEVELT, UNITED STATES DELEGATE, SAID SHE CONSIDERED THE SOVIET PROPOSAL "UNWORKABLE."

WB923PES

TRIESTE, DEC 12-(AP)-THE ALLIED MILITARY GOVERNMENT HAS WARNED TRIESTE ~~RESIDENTS~~ THAT IT WILL NOT TOLERATE A RECURRENCE OF RECENT DISORDERS PROTESTING THE ALLEGED LENIENCY OF AN MG COURT IN SENTENCING THREE YOUTHS TO SEVEN YEARS IMPRISONMENT EACH FOR KILLING AN 11-YEAR-OLD GIRL IN A DEMONSTRATION SEPT.14.

THE MILITARY GOVERNMENT DECLARED ITSELF SATISFIED THAT THE SENTENCES CONFORMED WITH THE LAW AND WARNED IT WOULD TAKE DRASTIC ACTION AGAINST FURTHER DISORDERS, WHETHER THEY WERE "TAINTED WITH FASCISM, RED, WHITE OR BLACK."

THE SENTENCING OF THE YOUTHS, DESCRIBED AS PRO-ITALIAN, FIRST WAS CRITICIZED MONDAY BY THE PRO-YUGOSLAV ITALIAN LANGUAGE NEWSPAPER IL LAVORATORE. THE SAME NIGHT A GRENADE WAS TOSSED INTO THE SLOVENE CLUB AND TUESDAY 3,000 COMMUNIST DOCKWORKERS STAGED A 30-MINUTE PROTEST STRIKE AS 500 DEMONSTRATORS GATHERED BEFORE AMG HEADQUARTERS.

MK60AAES

VIENNA, DEC. 12-(AP)-THE UNITED STATES PRESSED ITS CHARGES BEFORE THE ALLIED CONTROL COUNCIL TODAY THAT RUSSIA WOULD VIOLATE FOUR-POWER AGREEMENTS BY SHIPPING 75 LOCOMOTIVES TO YUGOSLAVIA AS WAR BOOTY.

COL. GEN. ALEXEI ZHELTOV, ACTING RUSSIAN HIGH COMMISSIONER FOR AUSTRIA, STOOD FIRM IN HIS DEMAND AND NO DECISION WAS REACHED.

ZHELTOV TOLD THE COUNCIL THAT THE TRANSFER WOULD IMPOSE NO HARDSHIPS ON AUSTRIA, THAT THE AMERICANS AND BRITISH HAD SHIPPED 35 LOCOMOTIVES TO GERMANY IN THE PAST AND THAT 5,000 AUSTRIAN RAILROAD CARS HAD BEEN LOST IN THE WESTERN ZONES OF GERMANY. THE AMERICAN AND BRITISH COMMISSIONERS DENIED ALL THIS.

TA1134PES

BY A.I.GOLDBERG

PRAGUE, DEC. 12-(AP)-THE PRAGUE PRESS HAILED THE NEW CZECHOSLOVAK-RUSSIAN TRADE TREATY TODAY AS THE BIGGEST TRADE AGREEMENT IN THE WORLD, BUT MINISSTRY OF FOREIGN TRADE SOURCES CONFESSED THEY WERE IN THE DARK AS TO ITS FINAL FORM.

LITTLE COULD BE LEARNED HERE EXCEPT THE TREATY WILL RUN FIVE YEARS AND THAT CZECHOSLOVAKIA PROPOSES TO SHIP SOME 200 KINDS OF GOODS TO RUSSIA.

"WE KNOW WHAT THE TEXT OF THE TREATY LOOKED LIKE WHEN IT LEFT HERE, BUT THERE HAVE BEME
IVO PH

MXQS

"WE KNOW WHAT THE TEXT OF THE TREATY LOOKED LIKE WHEN IT LEFT HERE, BUT THERE HAVE BEEN SOME CHANGES," SAID AN INFORMANT IN THE MINISTRY OF FOREIGN TRADE.

A MOSCOW DISPATCH DISTRIBUTED BY THE CZECHOSLOVAK GOVERNMENT NEWS AGENCY QUOTED MINISTER HUBERT RIPKA, WHO SIGNED THE AGREEMENT,

AS SAYING IT WOULD BE A GREAT HELP TO CZECHOSLOVAK ECONOMY. IT ADDED THAT RIPKA SAID GRAIN AND FODDER SHIPPED BY RUSSIA, ALONG WITH SHIPMENTS FROM ROMANIA AND YUGOSLAVIA, WOULD ENABLE THE NATION TO AVERT FAMINE AND KEEP GOING UNTIL THE NEXT HARVEST YEAR.

RIPKA WAS QUOTED AS SAYING THAT 16 TO 18 PER CENT OF THE COUNTRY'S FOREIGN TRADE WOULD BE WRAPPED UP IN THE RUSSIAN TREATIES, ADDING THAT NOT A SINGLE DOLLAR WOULD BE REQUIRED FOR FOOD OR IMPORTANT RAW MATERIALS FROM THE SOVIET UNION. THIS WOULD ENABLE THE CZECHOSLOVAKS TO USE THEIR DOLLARS IN TRADE RELATIONS WITH COUNTRIES REQUIRING SUCH PAYMENT.

HE ALSO WAS REPORTED TO HAVE SAID THAT NOT ONLY HEAVY INDUSTRIES WERE INVOLVED. THE BELIEF HERE BEFORE RIPKA WENT TO MOSCOW WAS THAT CZECHOSLOVAKIA WOULD BECOME A WORKSHOP FOR HEAVY MACHINES FOR RUSSIA, AS WELL AS A SUPPLIER OF SHOES, GLASS AND TEXTILES.

SOME NEWSPAPERS, WITHOUT STATING THE SOURCES OF THEIR INFORMATION, ESTIMATED THAT SHIPMENTS IN 1948 FROM RUSSIA WOULD BE VALUED AT 6,000,000,000 (BILLION) CROWS ($120,000,000 MILLION) AND SHIPMENTS FROM HERE TO RUSSIA AT 5,000,000,000 (BILLION) CROWS ($100,000,000 MILLION). THE NEWSPAPERS, WHICH HAVE ACCESS TO LEADERS OF PARTIES THEY REPRESENT, SAID THE TOTAL INVOLVED OVER THE FIVE-YEAR PERIOD WOULD BE THE EQUIVALENT OF $1,000,000,000 (BILLION).

NO ONE OUTSIDE THE GOVERNMENT APPEARS TO KNOW HOW MANY DOLLARS CZECHOSLOVAKIA HAS FOR TRADE PURPOSES, BUT SHE HAS BEEN HUSBANDING HER DOLLARS TO TRADE WITH THE WEST, AND THE NEW PACT WILL AID HER CONSIDERABLY IN THAT POLICY.

FOREIGN MINISTER JAN MASARYK TOLD A NEWS CONFERENCE HE HAD TALKED WITH NUMEROUS PERSONS IN WASHINGTON, INCLUDING SECRETARY OF STATE MARSHALL AND WAS HOPEFUL THAT DEFINITE TRADE RELATIONS WITH THE UNITED STATES WOULD BE RESUMED.

KA1232PES

WARSAW, DEC. 12-(AP)-A ONE-TIME GERMAN SS (ELITE GUARD) PILOT, STICKING TO HIS STORY THAT HE FLEW ADOLF HITLER AND HIS MISTRESS EVA BRAUN TO DENMARK JUST BEFORE THE FALL OF BERLIN, WAS REPORTED TONIGHT TO HAVE OTHERS HE SAID WERE ON THE FLIGHT.

THE NEWSPAPER ZYCIE WARSZAWY SAID CAPT. PETER BAUMGART HAD ELABORATED UPON EARLIER ACCOUNTS IN A STATEMENT TO POLISH AUTHORITIES IN MOKOTOW FORTRESS PRISON, WHERE HE IS WAITING TO GO ON TRIAL ON WAR CRIMES CHARGES IN WARSAW NEXT WEDNESDAY.

THE PAPER REPORTED BAUMGART SAID A SISTER OF EVA BRAUN, A GERMAN GENERAL NAMED ROMMER AND HIS WIFE AND ONE OTHER AIDE OF HITLER WERE ABOARD THE PLANE. HE WAS SAID TO HAVE TOLD THIS STORY:

HE WAS CALLED BY HITLER ON APRIL 28, 1945, AND TOOK OFF WITH THE GERMAN LEADER'S PARTY THE SAME DAY IN A MESSERSCHMITT 108 ESCORTED BY TWO OTHER AIRCRAFT WHOSE CREWS INCLUDED A LIEUTENANT URBAN AND A SERGEANT GUNTEL.

HIS PLANE PUT DOWN THE FOLLOWING DAY AT MAGDEBURG, LEFT AGAIN THE NEXT MORNING AND, ON HITLER'S ORDERS, FLEW THROUGH AN ARTILLERY BARRAGE. THE PLANE FINALLY LANDED IN A FIELD IN DENMARK 44 MILES FROM THE EIDER RIVER, WHICH RUNS THROUGH NORTHERN GERMANY JUST BELOW THE DANISH BORDER.

HITLER'S PARTY THEN BOARDED A SUBMARINE, AND THE THREE PLANES FLEW BACK TO BERLIN.

(BRITISH ARMY INTELLIGENCE REPORTS SAY HITLER AND EVA BRAUN, AFTER AN ELEVENTH-HOUR WEDDING, KILLED THEMSELVES APRIL 30, 1945, IN A BOMB SHELTER IN THE GARDEN OF THE REICHSCHANCELLORY IN BERLIN. THE RUSSIANS BLEW THE BOMB SHELTER UP ONLY YESTERDAY.)

WB1049PES

DEC 6 1947

30.24- 14197

NIGHT LEAN PALESTINE

BY JOSEPH C.GOODWIN

JERUSALEM, DEC 12-(AP)-VETERAN JEVISH UNDERGROUND FIGHTERS WENT ON THE WARPATH FROM HAIFA TO HEBRON IN A SERIES OF BLOODY CLASHES WITH ARABS AND TONIGHT THE DEATH TOLL FROM 13 DAYS OF BITTER COMMUNAL FIGHTING IN PALESTINE NEARED 200.

JEVISH FORCES STRUCK AT SEVEN PLACES--HAIFA, YAZUR, GAZA, SHAFAT, TIREH, RAMLE AND IN JERUSALEM ITSELF--ON THIS MOSLEM SABBATH.

CLAIMING RESPONSIBILITY FOR FIVE OF THESE OPERATIONS THE UNDERGROUND IRGUN ZVAI LEUNI ALSO THREATENED NEW ATTACKS ON THE BRITISH ARMY "IF THE BRITISH CONTINUE TO INTERFERE AND PERMIT ARABS TO IMPORT ARMS FROM ABROAD."

A BRITISH SOLDIER WAS KILLED AND ANOTHER WAS WOUNDED WHEN ARABS FIRED ON A BRITISH CONVOY ENTERING JAFFA TONIGHT.

THE DAY'S DISORDERS THROUGHOUT PALESTINE BROUGHT DEATH TO 25 PERSONS, 20 OF THEM ARABS. AN ASSOCIATED PRESS TABULATION SHOWED 198 HAD BEEN KILLED IN THE HOLY LAND SINCE THE UNITED NATIONS GENERAL ASSEMBLY VOTED FOR PARTITION. THE TOLL FOR THE ENTIRE MIDDLE EAST STOOD AT 314.

THE DAY'S DISORDERS THROUGHOUT PALESTINE BROUGHT DEATH TO 24 PERSONS, 20 OF THEM ARABS. AN ASSOCIATED PRESS TABULATION SHOWED 197 PERSONS HAD BEEN KILLED IN THE HOLY LAND SINCE THE UNITED NATIONS GENERAL ASSEMBLY VOTED FOR PARTITION. THE TOLL FOR THE ENTIRE MIDDLE EAST STOOD AT 313.

THE BLOODIEST FIGHTING OF THE DAY OCCURRED AT TIREH, A VILLAGE NEAR HAIFA. TWELVE ARABS WERE KILLED THERE AND SIX OTHERS WOUNDED WHEN JEVISH COMMANDOES ATTACKED WITH GRENADES AND AUTOMATIC WEAPONS. A HOUSE WAS DEMOLISHED AND A DOZEN OTHERS WERE DAMAGED AND SET AFIRE IN THE BATTLE WHICH LASTED FOR AN HOUR.

HAIFA ITSELF WAS RELATIVELY QUIET. ARABS LEAVING MOSQUES FOUND THE STREETS LINED WITH BRITISH ARMORED CARS AND BRENGUN CARRIERS. ONE JEW AND AN ARAB WERE KILLED BY GUNFIRE, AND A BRITISH OFFICER AND THREE ENLISTED MEN WERE WOUNDED BY BULLETS DIRECTED AT A JEEP.

ARABS STAGED A PRISON BREAK AT ATHLIT NINE MILES SOUTH OF HAIFA. ONE ARAB WAS KILLED, FIVE WERE WOUNDED AND FIVE OTHERS WERE KNOWN TO HAVE ESCAPED. THE OFFICER IN CHARGE OF THE PRISON WAS INJURED.

TWO ARABS WERE KILLED AND A POLICE RAILWAY GUARD WAS WOUNDED IN GAZA. IN RAMLE, AN ARAB WATCHMAN WAS KILLED AND A SECOND WOUNDED BY JEWISH BOMBS WHICH WRECKED A BUS COMPANY AND AN ADJOINING GARAGE.

SCATTERED FIRING CONTINUED ALL DAY FROM THE BESIEGED JEWISH SECTION OF JERUSALEM'S OLD CITY. BRITISH SOLDIERS AND POLICE PATROLED THE NARROW STREETS WHERE ARABS AND JEWS CLASHED THURSDAY.

JEWISH WORKERS LIVING IN THE ANCIENT SECTION WERE CONVOYED FROM THEIR JOBS TO THEIR HOMES TONIGHT. UNITS OF THE SCOTTISH HIGHLAND LIGHT INFANTRY MOVED INTO THE AREA AT DUSK AFTER POLICE BLOCKED JAFFA GATE. THOUSANDS OF ARABS GATHERED AT MOSQUES IN THE DISTRICT DURING THE DAY.

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JEWISH CROWDS GATHERED IN ZION SQUARE FOLLOWING REPORTS THAT THE ARABS WERE PLANNING LARGE-SCALE DEMONSTRATIONS. THE DEMONSTRATIONS

DID NOT COME OFF, HOWEVER, AND POLICE TURNED BACK A GROUP OF 50 TO 60 ARABS EN ROUTE FROM HEBRON TO JERUSALEM.

SIX GRENADES EXPLODED IN JERUSALEM'S PRINCESS MARY AVENUE WRECKING THE OFFICES OF TWO ARAB TRANSPORT COMPANIES, A CAFE AND A GUNSMITH SHOP. POLICE SAID THE GRENADES WERE THROWN BY FOUR JEWISH YOUTHS. THERE WERE THREE KNOWN CASUALTIES.

ANTICIPATING AN UPSURGE OF ARAB FURY POLICE ARMED WITH AUTOMATIC WEAPONS WERE ORDERED ON A 100 PERCENT STANDBY BASIS. POLICE REPORTS SAID SEVERAL TEMPORARY ARAB POLICEMEN ON DUTY AT ISOLATED POSTS HAD "ABSCONDED" WITH ARMS AND AMMUNITION.

IT WAS OFFICIALLY ANNOUNCED THAT THE JEWS WHO ATTACKED THE ARAB VILLAGE OF SHAFAT NEAR JERUSALEM WORE UNIFORMS OF THE BRITISH ARMY AND POLICE. THESE UNDERGROUND ATTACKERS ENTERED THE VILLAGE UNDER COVER OF AUTOMATIC WEAPON FIRE, BOMBED TWO HOUSES, SHOT AND WOUNDED AN ARAB AND FLED LEAVING TWO UNEXPLODED GRENADES.

THREE BODIES WERE FOUND IN A BURNED BRITISH OVERSEAS AIRWAYS CORPORATION TRUCK WHICH HAD BEEN SEIZED BY ARABS AT LYDDA VILLAGE. AIRLINE OFFICIALS SAID AT LEAST SIX ARAB AND FOUR JEWISH EMPLOYES OF BOAC HAD BEEN IN THE MACHINE.

THE BODIES WERE TOO BADLY BURNED FOR IDENTIFICATION AND THE SEVEN OTHER PASSENGERS IN THE TRUCK WERE STILL MISSING.

AS VIOLENCE CONTINUED IN THE HOLY LAND, ARABS THROUGHOUT THE MIDDLE EAST AWAITED WORD FROM CAIRO WHERE MINISTERS OF ARAB NATIONS ARE ATTENDING A "COUNCIL OF WAR" TO PREVENT PARTITION OF PALESTINE.

ORGANIZERS OF THE ARAB "PEOPLE'S ARMY" CONTINUED SIGNING NEW RECRUITS FOLLOWING THE ARAB LEAGUE'S ANNOUNCEMENT THAT ALL FIGHTING AGAINST PARTITION WOULD BE UP TO THIS FORCE UNTIL THE BRITISH EVACUATE PALESTINE ON OR BEFORE AUG. 1.

IN MOSQUES RANGING IN SIZE FROM TINY MUD HUTTED ONES TO THE GRAND MOSQUE OF OMAR IN JERUSALEM, MOSLEM HOLY MEN CALLED FOR UNITY AND PREPAREDNESS. MOSLEM FAITHFUL FACED MECCA AND PRAYED TO ALLAH FOR HELP TO KEEP THE JEWS FROM FORMING A STATE IN PALESTINE.

U- JEWISH SOURCES, BOTH PUBLIC AND UNDERGROUND, SAID THERE WAS WAVERING GOING ON IN THE RANKS OF JEWISH FIGHTERS FOR POSITIONS OF POWER IN THE PROJECTED JEWISH STATE, AND POSSIBLY ACCOUNTED FOR IRGUN'S TAKING A HAND AGAINST THE ARABS.

THESE SOURCES LISTED THE FOLLOWING FACTIONS:

1--HAGANA LEADERS, ASSOCIATED WITH THE CONSTITUTED JEWISH LEADERSHIP, WHO HAVE BEEN HOLDING TO A RESTRAINED POLICY OF "DEFENSE ONLY" IN THE CURRENT STRIFE WITH THE ARABS.

2--MENACHEM BEIGIN, POLISH MILITARIST WHO COMMANDS IRGUN ZVAI LEUMI AND WHO IS DESCRIBED BY MORE CONSERVATIVE ELEMENTS AS ASPIRING TO POLITICAL LEADERSHIP OF THE NEW STATE.

3--RADICAL NATIONALISTS WHO RUN THE STERN GANG AND WHO ARE FEARED TO WANT A BEHIND-THE-SCENES DICTATORIAL ROLE IN THE NEW STATE.

IN A BROADCAST TONIGHT HAGANA EXHORTED THE JEWS TO "BE STRONG IN DEFENSE BUT TAKE NO REPRISALS."

MOSLEM PROTESTS AGAINST PARTITION CONTINUED. IN FAR-AWAY LAHORE, PAKISTAN, MOSLEM STUDENTS DEMONSTRATED BEFORE THE AMERICAN CONSULATE CALLING FOR DEFEAT OF THE PLAN TO DIVIDE PALESTINE.

AHMED AL SHARABATI, SYRIAN MINISTER OF DEFENSE, DECLARED IN CAIRO THAT THE ARAB "PEOPLE'S ARMY" WAS "MORE THAN CAPABLE OF DEFEATING THE ZIONISTS."

IN ANCIENT BAGHDAD, IRAQI FINANCE MINISTER YUSUF GHANINA DISCLOSED THAT AN APPEAL WAS BEING MADE TO THE INTERNATIONAL MONETARY BANK FOR $75,000,000 (MILLION) TO "INCREASE THE COUNTRY'S PRODUCTIVE CAPACITY." ARAB SOURCES IN JERUSALEM CLAIM THAT DURING THE PAST SIX MONTHS IRAQ HAS PLEDGED A TOTAL OF $40,000,000 (MILLION) FOR THE DEFENSE OF PALESTINE ARABS.

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DEC - 1947

JERUSALEM, DEC. 12-(AP)-SPECULATION AS TO THE PART THE AGA KHAN MAY PLAY IN THE FIGHT AGAINST PALESTINE PARTITION WAS A LIVELY TOPIC AMONG ARAB LEADERS TODAY.

A DAMASCUS NEWSPAPER SAID THIS WEEK THE WEALTHY LEADER OF THE SHIITE MOSLEMS HAD OFFERED $120,000,000 TO "BUY" PALESTINE FOR THE ARABS IF NECESSARY, BUT HIS SECRETARY DISMISSED THIS AS "FOOLISH."

"THE PRINCE REFUSES TO MAKE ANY STATEMENT ON THAT SUBJECT," THE SECRETARY TOLD A REPORTER IN CANNES, FRANCE.

WT102PES

PALESTINE SEPARATE

JERUSALEM, DEC. 12-(AP)-BOTH [illegible] ARAB AND JEWISH COUNTRIES AND ALSO THE INTERNATIONAL ZONE PROJECTED [illegible] THE UNITED NATIONS PARTITION PLAN WERE SCENES OF PALESTINE ARAB-JEWISH VIOLENCE TODAY.

HERE ARE SOME OF THE TROUBLE SPOTS AND THE TERRITORIES IN WHICH THEY ARE LOCATED:

PROPOSED JEWISH STATE--HAIFA, TIREH.
PROPOSED ARAB STATE--JAFFA, GAZA, RAMLE, LYDDA, HEBRON.
PROPOSED INTERNATIONAL ZONE--JERUSALEM, SHAFAT.

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DEC - 1947

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By Carter L. Davidson

Jerusalem, Dec. 12-(AP)-Jewish sources said today that three groups of the Jewish underground had been maneuvering constantly for power positions in the new Jewish state, hoping to rule it by controlling its army.

The groups at the Hagana, currently in control of the armed forces, Irgun Zvai Leumi and the Stern gang.

The Jewish sources, both in and outside the underground, said all three groups had, during the last 13 days of defensive and counteroffensive combat, been accusing each other of hampering the common cause and that they agreed only that there was danger from arab mobs.

Hagana leaders, representing constituted Jewish leadership, have held to a restrained policy of "defense only" in current communal strife.

DEC -1947

Menachem Beigin, polish militarist who commands Irgun Zvai Leumi, has been accused by the more conservative elements of aspiring to politicial leadership of Judea, the probable name for the Jewish state.

The three radical nationalists who run the Stern gang are believed by some to aspire to dictatorship behind the scenes of the board of directors of

the new state.

The Stern gang has been blamed for the bomb and gunfire attacks of the past few days, because the Stern leadership is known to hold to view that SEEK TO AWE THE ARABS WITH A SHOW OF POWER the Jews should "[illegible] if trouble comes.

Hagana has blamed Irgun Zvai Leumi for the loss of life and damage to a convoy at Yazur village yesterday, claiming that Irgun attackers bombed an Arab coffee shop just before the convoy passed. The Arabs had just time to prepare for the ambush.

"Every time Irgun or Stern comes out, we lose men and guns," a Hagana informant said.

Irgun, however, has been more restrained than the Stern gang because is has been petitioning Hagana for admission as a group into the Jewish national army. The petition was rejected because Hagana leaders said they feared world opinion has not yet forgotten Irgun's bombing of the King David hotel in which 100 were killed, the hanging of two British sergeants in reprisal for the execution of an Irgunists and other acts of terror.

DEC -1947

Hagana informants said another reason for rejection was that Jewish leaders doubt Beigin's willingness to eschew his oft-stated political platform holding that a Jewish state must be erected in all Palestine "or Jewry will be exterminated."

Hagana sent word to Beigin and Irgun that "you are welcome to join Jewry's fight for statehood as individuals but not as an organization."

"We want them where we can watch them," a Hagana source explained.

Davidson 1700 apr rm 1435

DEC -1947

NIGHT LEAD SHARABATI (130)
CAIRO, EGYPT, DEC 12-(AP)-AHMED AL SHARABATI, SYRIAN MINISTER OF DEFENSE, DECLARED IN AN INTERVIEW TODAY THAT A VOLUNTEER ARAB "PEOPLES ARMY" BEING RAISED TO PREVENT THE PARTITION OF PALESTINE BY GUERRILLA WARFARE WAS "MORE THAN CAPABLE OF DEFEATING THE ZIONISTS."
ARABS ARE "GOING INTO A BLOOD BATH TO CLEANSE THEMSELVES," HE DECLARED, AND THE ARAB COUNTRIES WOULD "SURPRISE THE WORLD" WITH THEIR

HE ASSERTED, WAS A "PEOPLES
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EIR PATRONAGE LEAVING NO PLACE

AGUE "WAR COUNCIL" HERE YESTERDAY
WKAZI IN DAMASCUS, WHO HAS BEEN
PLES ARMY. SHARABATI PLANNED TO
CAPITAL, TOMORROW.

R OF IRAQ, TOLD REPORTERS HOWEVER
TO FIND A PEACEFUL SETTLEMENT"
THE SECURITY COUNCIL IS ONE OF THE
OLUTION."
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SALEH JABR BEY, PRIME MINISTER OF IRAQ, TOLD REPORTERS HOWEVER THAT "EVERYTHING IS BEING TRIED TO FIND A PEACEFUL SETTLEMENT" ADDING "THE WAY LEADING TOWARD THE SECURITY COUNCIL IS ONE OF THE MEANS WE MAY ADOPT TO REACH A SOLUTION."

ARMAMENT PREPARATIONS.
THE FIGHT AGAINST PARTITION, HE
MOVEMENT" BUT "KINGS, PRESIDENTS AN
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SHARABATI JOINED THE ARAB LEAGUE
AFTER CONFERRING WITH FAWZI-KAWKAZ
DESIGNATED COMMANDER OF THE PEOPLES
RETURN TO DAMASCUS. THE SYRIAN CAP

FROM HAIFA TO HEBRON, KILLED 14 ARABS
N THE COMMUNAL STRIFE OVER THE IMPENDING
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MIDDLE EAST.
FOREIGN SECRETARY ERNEST BEVIN TO
15 IS THE LATEST DATE ON WHICH BRITA
PALESTINE MANDATE.

BEVIN PLEADED THAT THE SITUATION
"AND THUS MAKE MORE DIFFICULT THE TA
HE EXPRESSED HOPE THAT A PLEA FOR A
WOULD BE WEIGHED "IN GREAT BRITAIN,
IN PALESTINE ITSELF."

DEFENSE MINISTER AHMAD SHARABATI OF SYRIA VOICED IN CAIRO ARAB DETERMINATION TO FIGHT AGAINST CREATION OF A JEWISH STATE, SAYING ALL PALESTINE WOULD BECOME A BATTLEFIELD WITH THE ARABS "GOING INTO A BLOOD BATH TO CLEANSE THEMSELVES."
"THE PEOPLE'S ARMY IS MORE THAN CAPABLE OF DEFEATING THE ZIONISTS," HE SAID, REFERRING TO A VOLUNTEER FORCE OF SOME "TENS OF THOUSANDS" WHICH THE ARABS PLANNED TO USE, RATHER THAN REGULAR ARMIES, UNTIL

DEC -1947

DEC -1947 30.24- 14201

BRITISH TROOPS LEAVE PALESTINE IN AUGUST.

THE JEWISH ATTACKS IN PALESTINE WERE MADE ON THE MOSLEM SABBATH. A DOZEN ARABS WERE KILLED AT THE VILLAGE OF TIREH NEAR HAIFA. TWO MORE WERE SHOT DEAD NEAR GAZA. THE JEWISH RAIDERS WERE BELIEVED TO BE SQUADS OF THE EXTREMIST STERN AND IRGUN ZVAI LEUMI UNDERGROUND ORGANIZATIONS. AT RAMLE, AN ARAB BUS COMPANY WAS BOMBED AND 22 VEHICLES WERE REPORTED DESTROYED.

SOME AUTHORITIES CONJECTURED THAT JEWISH BANDS WERE BEGINNING A WIDESPREAD OFFENSIVE AGAINST ARAB MASSES, WHICH OUTNUMBER THE JEWS IN PALESTINE TWO TO ONE.

THE SYRIAN NEWSPAPER ATTAQADDOM SAID MOBS IN ALEPPO RECENTLY BURNED A 2,750-YEAR OLD SYNAGOGUE AND SET NINE OTHERS AFIRE. FIRES ALSO WERE STARTED IN 150 HOUSES, 50 SHOPS, AN ORPHANAGE, RESTAURANT AND YOUTH CLUB IN THE JEWISH QUARTER. A LIBRARY CONTAINING A RARE OLD BIBLE WAS REPORTED RUINED.

N1025AES

A GROUP OF TURKISH MILITARY STUDENTS WILL LEAVE FOR THE UNITED STATES SOON FOR STUDY AND TRAINING, MACBRIDE SAID.

HE ADDED THAT THE NAVAL PROGRAM WOULD INCLUDE TRANSFERRING SOME UNIDENTIFIED U.S. SHIPS AND SUPPLIES TO THE TURKS.

A REPORTER ASKED HOW LONG AMERICAN ASSISTANCE WOULD LAST. MACBRIDE REPLIED THAT THERE WAS NO FIXED DATE AND WOULD CONTINUE SO LONG AS THE MONEY HOLDS OUT. HE ADDED THAT TURKS WERE UNABLE AT PRESENT TO USE MORE THAN $100,000,000 WORTH OF AID, BUT THAT HE THOUGHT A CONTINUING AID PROGRAM SEEMED DESIRABLE.

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(ADVANCE FOR USE IN AMS OF SATURDAY, DEC. 13)

(EDITORS NOTE: THE FOLLOWING STORY WAS WRITTEN BY TONY SMITH OF THE GANNETT NEWS SERVICE WASHINGTON STAFF ASSIGNMENT IN SAUDI ARABIA. IT IS DISTRIBUTED BY THE ASSOCIATED PRESS WITH PERMISSION OF THE GANNETT NEWS SERVICE)

BY TONY SMITH

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(ADVANCE) RIYADH, SAUDI ARABIA, (BY CABLE)--KING IBN SAUD TODAY ASSURED ME HE WILL "PROTECT AND MAINTAIN" AMERICA'S VAST OIL OPERATIONS AND OTHER INTERESTS IN SAUDI ARABIA REGARDLESS OF WHAT HAPPENS IN PALESTINE.

THE RICHEST, MOST POWERFUL AND SHREWDEST RULER IN THE ARAB WORLD BROKE HIS LONG POLITICAL SILENCE TO CLARIFY HIS STAND ON THE PALESTINE CRISIS.

HE SENT THIS MESSAGE TO AMERICA:

"OUR FRIENDSHIP WITH THE UNITED STATES IS SOLID AND WELL-ESTABLISHED.

"WE BELIEVE YOU MADE A MISTAKE IN THE UNITED NATIONS PALESTINE DECISION, BUT WE HOPE YOU WILL CORRECT IT."

IN AN HOUR-LONG, EXCLUSIVE INTERVIEW, THE 70-YEAR OLD KING SAID REPORTS THAT HIS GOVERNMENT IS PREPARED TO CANCEL AMERICAN OIL CONCESSIONS ARE "UNTRUE AND IRRESPONSIBLE."

HE EXPRESSED DOUBT THAT THE ARAB LEAGUE, REPRESENTING 40 MILLION ARABS, WOULD RECOMMEND ECONOMIC SANCTIONS AGAINST THE UNITED STATES.

HE SAID PRESSURE ON HIM FROM OTHER ARAB LEADERS TO OPPOSE AMERICAN INTERESTS HAVE BEEN "HEAVY BUT UNAVAILING."

KING IBN SAUD THEN DECLARED THAT THIS COUNTRY HAS NOT DECLARED A "HOLY WAR" AGAINST THE PALESTINE JEWS, ALTHOUGH "THE ACTUALITIES OF WAR EXIST."

THE KING ACCUSED RUSSIA OF SUPPORTING THE UN PARTITION PLAN SOLELY TO DRIVE A WEDGE BETWEEN THE ARAB WORLD AND AMERICA.

HE ASSERTED THAT COMMUNISM IS INFILTRATING THE MIDDLE EAST, BUT HE SAID IT IS FINDING NO ROOM TO EXPAND IN SAUDI ARABIA.

THIS IS THE KING'S FIRST PUBLIC STATEMENT ABOUT RUSSIAN AMBITIONS IN THE MIDDLE EAST.

HIS POLICY DECLARATION ALSO REASSURES THE SAFETY OF 3,500 AMERICANS LIVING AND WORKING IN SAUDI ARABIA.

IT PUTS A DEPTH CHARGE UNDER ARAB LEAGUE THREATS AND PLACES ANTI-AMERICAN LEADERS IN THE KING'S OWN GOVERNMENT ON NOTICE.

OBSERVERS HERE WERE ASTOUNDED BY THE BLUNT FRANKNESS OF THE KING'S STATEMENT ON RUSSIA.

THE TEXT OF IBN SAUD'S STATEMENT:

"FULFILLMENT OF MY PLEDGE TO SAFEGUARD AMERICANS WORKING IN SAUDI ARABIA FROM DISTURBANCES, INSULTS AND INCONVENIENCES IS MADE IMPERATIVE BY OUR RELIGION.

"RELIGION DEMANDS WE FULFILL OUR OBLIGATIONS TO ALL THOSE PEOPLE IN WHOM WE HAVE GREAT INTEREST AND THOSE IN WHOM WE HAVE NO INTEREST.X

"WE ARE GOING TO MAKE OUR WORD STAND AT ALL TIMES. WE WILL PROTECT AND MAINTAIN AMERICAN OIL OPERATIONS AND OTHER PROJECTS IN SAUDI ARABIA. WE HAVE GIVEN OUR WORD.

DEC -1947

"IT WAS OUR BELIEF THAT WE UNDERSTOOD THE AMERICAN PEOPLE AND THEIR ACTIONS, BUT IN PALESTINE YOU ARE FOLLOWING A COURSE CONTRARY TO WHAT YOU SAID BEFORE.

"IT UNDOUBTEDLY WAS A MISTAKE FOR THE UNITED STATES TO GET INVOLVED IN THE PALESTINE SITUATION, BUT IT IS NOT TOO LATE TO CORRECT THIS CONDITION THAT DEPRIVES THE ARABS OF THEIR RIGHTS.

"THIS IS OUR HOPE--THAT THE UNITED STATES WILL DO NOTHING MORE TO SPLIT PALESTINE AND CAUSE A SCHISM WHICH WILL END IN COMMUNISM, A RESULT THE UNITED STATES WILL NOT LIKE.

"THE PROBLEM IS VERY GRAVE. THE ACTUALITIES OF WAR ARE INVOLVED, IF NOT THE FORMALITIES. THE RUSSIANS HAVE ALWAYS DISAGREED WITH YOU ON OTHER PROBLEMS, AND NOW THEY SUDDENLY AGREE ON PALESTINE. WHY DO THEY DO THIS? IT IS BECAUSE THEY WANT TO INCREASE THE GAP BETWEEN THE ARABS AND THE AMERICANS.

"THIS IS THEIR ONLY WAY OF DISCREDITING YOU. DO YOU THINK THE RUSSIANS VOTED FOR THE PARTITIONING PLAN TO HELP THE UNITED STATES AT A TIME WHEN THE SOVIET IS MASSING ALL ITS FORCES AGAINST YOU?

"THERE IS COMMUNIST INFILTRATION IN THE ARAB WORLD, BUT THERE IS NOT A SINGLE COMMUNIST IN SAUDI ARABIA. THIS IS A TRUE MOSLEM STATE AND THERE IS NO ROOM FOR COMMUNISTS. BUT THEY ARE PRESENT ELSEWHERE AND ARE MERELY BIDING THEIR TIME UNTIL THE UNITED STATES INCREASES THE GAP OVER PALESTINE.

"I HAVE BEEN ASKED SEVERAL TIMES BY ARABS IN OTHER COUNTRIES TO SAY SOMETHING AGAINST THE UNITED STATES, BUT I HAVE INSISTED ON MAINTAIN-

ING FRIENDSHIP WITH THE AMERICANS.

"OF COURSE, WE SAUDI ARABIANS FEEL STRONGLY SYMPATHETIC ABOUT THE PROBLEMS OF ARABS EVERYWHERE. THERE IS TALK THAT THE ARAB LEAGUE WILL RECOMMEND ECONOMIC SANCTIONS AGAINST THE UNITED STATES. I AM DOUBTFUL OF THIS, BUT THE LEAGUE MUST DEFEND THE ARABS' RIGHTS IN WHATEVER WAYS IT CAN.

"REPORTS THAT SAUDI ARABIA IS PREPARING TO CANCEL AMERICAN OIL CONCESSIONS AND ASK AMERICANS TO LEAVE ARE FROM PEOPLE WHO SPEAK ONLY FOR THEMSELVES. THEY ARE PEOPLE WHO DO NOT KNOW THE MIND OF KING IBN SAUD.

"ALL ARABS ARE OUR BROTHERS, AND WE LIKE THEM. HOWEVER, THEY KNOW THEIR RIGHTS AND WE KNOW OURS. THE SITUATION IN SAUDI ARABIA HAS OFTEN BEEN COMPLICATED BY STATEMENTS OF IRRESPONSIBLE PERSONS WHO CANNOT PRESUME TO SPEAK FOR THE KING." DEC -1947

(END ADVANCE FOR USE IN AMS OF SATURDAY,DEC. 13)

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BAGHDAD, IRAQ, DEC. 12-(AP)-ALL MOSLEMS WHO FOLLOW THE KADERIYAH GAILANIYAH RELIGIOUS METHOD WERE CALLED UPON TODAY TO "SACRIFICE WITH BLOOD, ARMS AND WEALTH" IN A JIHAD (HOLY WAR) FOR PALESTINE.

AHMED ASIM ALGAILANI, LEADER OF ALL GAILANIYAH-METHOD MOSLEMS IN IRAQ, INDIA, PAKISTAN AND AFGHANISTAN, IN A CALL ISSUED FROM BAGHDAD SAID "I URGE ALL THESE MOSLEMS TO VOLUNTEER FOR THE JIHAD AND CONTRIBUTE WITH ALL THEY POSSESS OF ARMS AND FUNDS."

MEANWHILE A PARLIAMENTARY PALESTINE DEFENSE COMMITTEE, ALSO REPRESENTING A TRIBAL CHIEFS' CONFERENCE, ISSUED A STATEMENT URGING FORMATION OF A SINGLE "PEOPLE'S UNITED FRONT TO DEFEND PALESTINE BY ALL MEANS" OUT OF ALL POLITICAL AND RELIGIOUS GROUPS NOW COLLECTING FUNDS AND RECRUITING VOLUNTEERS TO PROMOTE AN ARAB PALESTINE.

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"NO PHYSICAL DIVISION OF ORDNANCE FACTORIES HAS BEEN MADE, BUT INDIA AGREED TO MAKE AVAILABLE TO PAKISTAN 60,000,000 RUPEES ($19,800,000) AS AND WHEN REQUIRED FOR SETTLING" A DIVISION OF THE PLANTS, PATEL SAID.

HE SAID EACH DOMINION WOULD CONTINUE TO DISBURSE PENSION PAYMENTS IN ITS TERRITORY, WITH "INDIA CONTINUING TO PAY OVERSEAS PENSIONS." add - New Delhi - (xxx 3' to India

"THE VALUE OF PENSIONS WILL BE CAPITALIZED AND SHARED BETWEEN INDIA AND PAKISTAN AS UNCOVERED DEBT," PATEL SAID. #

NIGHT LEAD CHINESE (270)

NANKING, DEC. 12-(AP)-PRO-GOVERNMENT CHINESE NEWSPAPERS REPORTED TODAY THAT 40,000 COMMUNIST TROOPS OF GEN. LIU PO-CHENG WERE SURROUNDED NORTHEAST OF HANKOW AND HOPEFULLY PREDICTED THAT THEY WOULD BE DESTROYED SOON.

THE COMMUNIST FORCE WAS SAID, HOWEVER, TO BE CONTAINED IN A 30,000 SQUARE KILOMETER AREA. (EQUAL TO MORE THAN 11,500 SQUARE MILES, THIS WOULD APPEAR TO LEAVE CONSIDERABLE ROOM FOR MANEUVER.)

THE LOCATION WAS EAST OF THE PEIPING-HANKOW RAILWAY AND WEST OF THE TA PIEH MOUNTAINS WHERE LIU'S RAIDERS HAD HOLED UP AFTER SUMMER LONG RAVISHMENT OF THE NORTH BANKS OF THE YANGTZE RIVER IN CENTRAL CHINA. SEVERE FIGHTING WAS REPORTED IN PROGRESS AS GOVERNMENT TROOPS DROVE THE COMMUNISTS FROM THE MOUNTAINS.

THE PRO-GOVERNMENT ACCOUNTS SAID THE ENCIRCLED COMMUNISTS COMPRISED LIU'S FIRST, THIRD AND SIXTH DIVISIONS.

(AN ESTIMATE OF 40,000 FOR THREE DIVISIONS IS HIGH. EARLIER GOVERNMENT DISPATCHES HAVE REFERRED TO COMMUNIST DIVISIONS NUMBERING 6,000 TO 7,000 MEN EACH.)

TWO CRACK GOVERNMENT ARMIES (USUALLY 20,000 MEN EACH) WERE REPORTED DRIVING WEST AND NORTHWEST WHILE OOTHER GOVERNMENT FORCES WAITED ALONG THE RAILWAY IIN THE BID TO CRUSH LIU'S POWER.

THE ARMY ORGAN PEACE DAILY QUOTED A HIGH MILITARY SOURCE AS SAYING THE OPERATION SHOULD REACH ITS PEAK BY THE END OF THIS WEEK OR EARLY NEXT WEEK.

REPORTS FROM MANCHURIA MEANWHILE SAID 20,000 COMMUNISTS FROM JEHOL PROVINCE HAD INFILTRATED EASTWARD AND WERE MUSTERING AROUND THE RAILWAY TOWN OF CHINHSIEN, 110 MILES NORTHEAST OF THE GREAT WALL THAT SEPARATES CHINA AND MANCHURIA.

IN VIEW OF THE HARD WINTER IN MANCHURIA, THIS WAS CONSIDERED POSSIBLY A LOCALIZED ACTION, BUT PEIPING SOURCES EARLIER REPORTED THE PEIPING-MUKDEN RAILWAY SEVERED AT EIGHT PLACES.

FJ607PCS

BY DUANE HENNESSY

TOKYO,DEC.11-(AP)-A REPATRIATED JAPANESE SERGEANT SAID TODAY THE FRENCH AT SAIGON HAVE BUILT A SPECIAL JAPANESE CORPS TO PERSUADE JAPANESE IN THE VIET-NAMESE ARMY TO DESERT AND LEAVE INDOCHINA.

ALREADY TWO MEMBERS OF THIS "DESERTERS RETURN PERSUASION CORPS" HAVE BEEN KILLED BY JAPANESE THEY SOUGHT TO CONVINCE AND THREE ARE MISSING, SAID ISAMU TANABE, WHO FOR A TIME WAS A MEMBER OF THE CORPS.

TANABE ESTIMATED THERE ARE 3,000 JAPANESE SOLDIERS WITH THE VIET-NAMESE. THE FRENCH, HE SAID, BELIEVE THESE EXPERIENCED SOLDIERS DO MUCH TO BOLSTER THE VIET-NAMESE AND ARE ANXIOUS TO GET THEM TO RETURN TO JAPAN.

"BUT THE JAPANESE WITH THE VIET-NAMESE INDEPENDENCE ARMY ALREADY HAVE BEEN INFLUENCED BY COMMUNISM," TANABE EXPLAINED. "THEY REGARD MEMBERS OF THE CORPS WITH CONTEMPT--AS FRENCH-EMPLOYED SPIES."

HE SAID THE PERSUASION CORPS WAS FORMED IN SAIGON LAST AUGUST BY 15 FORMER JAPANESE SOLDIERS HEADED BY FORMER LT. COL. HIRO SAITO, ONETIME STAFF OFFICER OF THE SOUTHERN AREA, 55TH DIVISION.

SO FAR ONLY A FEW JAPANESE HAVE BEEN PERSUADED TO DESERT, EVEN THOUGH THE FRENCH REPATRIATE THEM RAPIDLY, TANABE DECLARED. NEVERTHELESS, THE PERSUADERS KEEP AT THEIR WORK.

"IF THEY HEAR THERE ARE JAPANESE EVEN 200 MILES AWAY, THEY GO THERE IN PAIRS OR THREE DISGUISED AS CHINESE AND ANNAMESE AND WAIT AS LONG AS SEVERAL MONTHS, MAKING CONTACTS."

TANABE SAID FORMER JAPANESE SUPERIOR PRIVATES ARE APPOINTED FIRST OR SECOND LIEUTENANTS BY THE VIET-NAMESE TO MAKE THE BEST USE OF THEIR MILITARY TRAINING. FORMER NONCOMMISSIONED OFFICERS BECOME HIGH-RANKING OFFICERS IN CHARGE OF TRAINING RECRUITS AND MANAGING ORDNANCE DEPOTS.

"THEY ARE WELL TREATED BY THE VIET-NAMESE FORCES," THE REPATRIATE SAID. "MANY OF THEM SAY 'WE HAVE NO INTENTION OF RETURNING TO DEFEATED JAPAN. WE INTEND TO REMAIN HERE THE REST OF OUR LIVES.'" #

30.24- 14203

YOKOHAMA,DEC.12-(AP)-TWELVE OUTSTANDING SOLDIERS OF THE U.S. EIGHTH ARMY WENT TO SEA TODAY AS GUESTS OF REAR ADM.ALBERT BLEDSOE ABOARD THE CRUISER DULUTH. THEIR 10-DAY CRUISE WILL TAKE THEM TO SASEBO (SOUTHERN JAPAN) AND JINSEN, KOREA.

THE SOLDIERS CHOSEN ON THE BASIS OF THEIR RECORDS INCLUDE CPL. THOMAS STANLEY, 101 EAST 72ND ST., NEW YORK CITY; CPL. WALTER M.DEPUTY, WILMINGTON, DEL.; CPL.ANTHONY SITKO, 1704 WEST 136TH ST., EAST CHICAGO, IND.; SGT.ANTHONY GUZILS, JR., 143 MILLS ST., BUFFALO, N.Y.; T/5 JAMES P.KELLY, PHILADELPHIA, PA.; FIRST SGT.WILSON G.SWEENEY, 414 HIGH ST., PHILADELPHIA, PA., AND STAFF SGT.JACK PRICE, PARAGOULD, ARK.

VR348ACS

MACASSAR, EAST INDONESIA, DEC.12-(AP)-PRESIDENT SUKAWATI OF THE DUTCH-SPONSORED STATE OF EAST INDONESIAN TODAY ASKED ANAK AGOENG GEDGE AGOENG, 28-YEAR-OLD MEMBER OF THE SULTAN'S FACTION, TO FORM A NEW CABINET TO SUCCEED THAT OF GIANJAR IN BALI, WAS INTERIOR MINISTER IN THE WAROUW CABINET AND THE YOUNGEST MEMBER OF THE GOVERNMENT. HE WAS EXPECTED TO FORM A CABINET WITHIN 24 HOURS.

WAROUW RESIGNED AFTER FAILING TO OBTAIN A VOTE OF CONFIDENCE IN THE EAST INDONESIAN PARLIAMENT.

JP227AES

MANILA,SATURDAY,DEC.13-(AP) THE PHILIPPINES ACCEPTED MEMBERSHIP ON THE PALESTINE COMMISSION LAST NIGHT AND PRESIDENT MANUEL A.ROXAS INSTRUCTED DELEGATE CARLOS ROMULO TO NOTIFY THE UNITED NATIONS.

DV954PCS

MANILA,SATURDAY,DEC.13-(AP)-MANUEL A.ROXAS TODAY INSTRUCTED PRESIDENTIAL SECRETARY EMILIO ABELLO AT THE INTERNATIONAL TRADE ORGANIZATION CONFERENCE IN HAVANA TO RESIST ALL MOVES WHICH WILL "MATERIALLY MODIFY OR ABROGATE ALTOGETHER OUR PREFERENTIAL TRADE WITH THE UNITED STATES."

ROXAS WIRED ABELLO THAT THE PHILIPPINES "IS GREATLY CONCERNED OVER THE PROPOSAL TO RESTRICT FREEDOM OF ACTION FOR THE PROTECTION OF OUR SPECIAL INTERESTS."

"I AM ALSO OPPOSED," THE TELEGRAM ADDED, "TO ANY PROVISIONS WHICH PREVENT THE LIMITATION OF IMPORTS OF INCREASE OF SALES TAXES FOR THE URPOSE OF SAFEGUARDING OUR DOLLAR RESERVES OR CHANNELING EXPENDITURES FOR INTERNAL PRODUCTIVE INVESTMENT."

DV1005PCS

OTTAWA, DEC. 12-(AP)-AS ONE MEANS OF PAYING FOR MORE IMPORTS, THE CANADIAN GOVERNMENT ANNOUNCED LAST NIGHT A NEW PLAN TO BUILD UP THE DOMINION'S DEPLETED GOLD RESERVE BY SUBSIDIZING GOLD PRODUCTION.

FINANCE MINISTER DOUGLAS ABBOTT INFORMED THE HOUSE OF COMMONS THAT THE GOVERNMENT WILL PAY A BONUS AMOUNTING TO HALF THE AMOUNT BY WHICH A MINE'S CURRENT COST OF PRODUCTION EXCEEDS $18 A FINE OUNCE. IT WILL BE PAID, HE SAID, ON EACH FINE OUNCE PRODUCED IN EXCESS OF TWO-THIRDS OF THE OUTPUT FOR THAT YEAR.

DEC -19

(GOLD CUSTOMARILY IS MEASURED IN TROY WEIGHTS. AN OUNCE TROY IS HEAVIER THAN AN OUNCE AVOIRDUPOIS, A TROY OUNCE BEING 31.104 GRAMS AND AVOIRDUPOIS OUNCE BEING 28.35 GRAMS. THE TERM "FINE" OUNCE MEANS THE GOLD IS PURE, CONTAINING NO DROSS.)

THE PLAN, RETROACTIVE TO DEC. 1, MEANS, IN SIMPLE TERMS, THAT IF A MINE'S COST OF PRODUCTION IS $28 PER OUNCE OF GOLD, THE EXCESS OVER $18 IS $10. HALF OF $10 IS $5--WHICH IS THE BONUS PER OUNCE ON ALL PRODUCTION ABOVE TWO-THIRDS OF THE ANNUAL PRODUCTION. FOR INSTANCE, IF THE MINE PRODUCED 1,200 OUNCES FOR THE YEAR, ALL OVER 800 OUNCES, OR 400 OUNCES, WOULD BE PAID THE BONUS OF $5 AN OUNCE.

THIS PLAN REPLACES AN EARLIER ONE, BY WHICH THE GOVERNMENT WOULD HAVE PAID A FLAT $7 AN OUNCE SUBSIDY FOR EACH FINE OUNCE OF GOLD PRODUCED IN EXCESS OF THE OUTPUT FOR THE YEAR ENDED JUNE 30, 1947. THAT PLAN, TO WHICH WASHINGTON REPORTS INDICATED THERE WAS SOME U.S. TREASURY OPPOSITION, WAS ANNOUNCED AT THE SAME TIME AS A PROGRAM FOR RESTRICTING IMPORTS TO CONSERVE DWINDLING GOLD RESERVES.

IN TORONTO, N.F. PARKINSON, EXECUTIVE DIRECTOR OF THE ONTARIO MINING ASSOCIATION, EXPRESSED DOUBT THE NEW PLAN WOULD HAVE ANY GREAT EFFECT AND ASKED THE GOVERNMENT TO DEFINE WHAT IT MEANT BY "COST OF PRODUCTION."

ABBOTT SAID THE GOLD MINING INDUSTRY OBJECTED TO THE EARLIER PLAN ON THE GROUND IT DID NOT GO FAR ENOUGH TOWARD PREVENTING DETERIORATION OF THE INDUSTRY AND THE CLOSING DOWN OF ADDITIONAL MINES.

HE SAID ALSO THAT THE FIRST PLAN MIGHT HAVE CONSTITUTED AN INCREASE IN THE GOVERNMENT'S PRICE FOR GOLD, CONTRARY TO THE INTERNATIONAL MONETARY FUND AGREEMENT.

(THE MONETARY FUND ISSUED A STATEMENT IN WASHINGTON EXPRESSING APPROVAL OF THE NEW BONUS PLAN.)

ADDITIONAL IMPORT RESTRICTIONS WERE CALLED FOR IN A MEASURE INTRODUCED IN THE HOUSE OF COMMONS YESTERDAY. ITEMS TO BE PROHIBITED, EXCEPT UNDER LICENSE, INCLUDED STRUCTURAL STEEL, NEWSPAPER PRINTING PRESSES, AND AUTOMOBILES OF ALL KINDS.

HJ641AES

(ADVANCE) WASHINGTON,DEC 12-(AP)-SENATOR BRIDGES (R-NH) ACCUSED THE ADMINISTRATION TONIGHT OF "CONFOUNDING" ITS OWN POLICY OF AIDING WESTERN EUROPEAN NATIONS TO RESIST COMMUNISM BY "BUILDING UP THE ECONOMIC AND WAR POTENTIAL OF COMMUNIST COUNTRIES."

SPECIFICALLY, BRIDGES CHARGED IN AN ADDRESS OVER NBC THAT SPECIALIZED MACHINERY TAKEN FROM DISMANTLED GERMAN WAR PLANTS IS BEING SHIPPED TO RUSSIA AND HER SATELLITES, "THEREBY INCREASING THEIR WAR POTENTIAL."

DEC -19

THE CHAIRMAN OF THE SENATE APPROPRIATIONS COMMITTEE, WHO WIELDS A POWERFUL INFLUENCE ON THE AMOUNT OF MONEY MADE AVAILABLE FOR FOREIGN AID, LAID DOWN FIVE GUARANTEES HE SAID CONGRESS SHOULD EXACT BEFORE IT VOTES FURTHER ASSISTANCE. THERE WERE:

"1. THAT NO FURTHER GERMAN MACHINERY--WAR OR CIVILIAN--WILL BE SENT TO RUSSIA OR HER SATELLITES AS REPARATIONS.

"2. THAT IF GERMAN PLANTS ARE SUITED ONLY FOR WAR PRODUCTION, THEY WILL BE DESTROYED.

"3. THAT IF PLANTS ARE ADAPTED TO THE PRODUCTION OF MATERIALS

NECESSARY TO WESTERN EUROPEAN RECOVERY, THEY WILL BE USED AND NOT DISMANTLED.

"4. THAT FREE COUNTRIES SHALL HAVE PRIORITY ON WHAT EXPORTS OF RECOVERY MATERIALS AMERICA CAN SPARE.

"5. THAT OTHER STUDIED SAFEGUARDS BE SET UP TO THE END THAT OUR DOLLARS AND OUR MATERIALS SHALL BE USED EFFECTIVELY WITHOUT WASTE FOR WESTERN EUROPEAN REBUILDING."

BRIDGES SAID THAT IN ADDITION TO ENCOURAGING THE USE OF "EVERY AVAILABLE PRODUCTIVE FACILITY IN WESTERN EUROPE" TO SPEED ITS RECOVERY, THE ADMINISTRATION SHOULD SHUT OFF "ALL MATERIAL, SUPPLIES OR OTHER CONTRIBUTIONS WHICH WOULD STRENGTHEN THE MILITARY AND ECONOMIC RESOURCES OF COMMUNISM."

THE NEW HAMPSHIRE SENATOR SAID THE UNITED STATES HAD BEEN "CYNICALLY MOUSE-TRAPPED" INTO CONTINUING THE SHIPMENT OF GERMAN MACHINERY TO RUSSIA UNDER THE POTSDAM AGREEMENT, ADDING:

"THE PRIME SENSELESSNESS OF OUR FOREIGN POLICY LIES IN THE CONTINUED DISMANTLING OF GERMAN PLANTS WHICH SHOULD BE PRODUCING THE MATERIALS WHICH WESTERN EUROPE DESPERATELY NEEDS, MATERIALS THAT WOULD NOT ONLY MAKE THE GERMANS SELF-SUPPORTING BUT A POSITIVE HELP TO GENERAL EUROPEAN RECONSTRUCTION."

(END ADVANCE FOR USE AT 10:45 P.M. EASTERN STANDARD TIME, TONIGHT, FRIDAY, DEC. 12)

HY714PES

DEC 1947

NEW YORK, DEC. 12-(AP)-DR. CHAIM WEIZMANN, WHO HAS BEEN SUGGESTED AS THE FIRST PRESIDENT OF THE NEW JEWISH STATE IN PALESTINE, SAID TODAY HE BELIEVES REAL WAR BETWEEN ARABS AND JEWS CAN BE AVERTED BY THE "EXERCISE OF WISDOM AND CARE."

C. WEIZMANN, FORMER PRESIDENT OF THE WORLD ZIONIST ORGANIZATION, IN AN INTERVIEW SAID HE ADVOCATES A STRICT POLICY OF NON-VIOLENCE ON THE PART OF THE JEWS AND COUNSELS THEM TO "DEFEND YOURSELVES, BUT DON'T RETALIATE."

HE RECALLED THAT DURING ARAB-JEWISH CLASHES IN 1936-37 "WHEN WE HAD A MUCH WORSE SITUATION IN PALESTINE, WE ATTACKED RIGHT AND LEFT. HUNDREDS UPON HUNDREDS OF JEWS WERE KILLED. BUT EVENTUALLY WE GOT THE BETTER OF THE SITUATION BY FOLLOWING THE PRINCIPLE OF NON-VIOLENCE."

WEIZMANN, WHO PLANS TO JOIN HIS COMPATRIOTS IN PALESTINE IN JANUARY, SAID THE CHIEF OBJECTIVE OF THE NEW NATION SHOULD BE THE WINNING OF "GOOD WILL AND ESTABLISHMENT OF GOOD RELATIONS WITH ITS NEIGHBORS."

FOREMOST ON THE PROGRAM, HE SAID, SHOULD BE REESTABLISHMENT OF GOOD RELATIONS BETWEEN THE JEWS AND BRITISH. HE ADDED THAT THE BRITISH HAVE DONE A GREAT DEAL TO ESTABLISH THE JEWISH NATIONAL HOME.

CONTROLLED IMMIGRATION WAS RECOMMENDED FOR THE JEWISH STATE BY THE ZIONIST LEADER, WHO SUGGESTED THAT 75,000 NEW SETTLERS WAS THE EXTREME LIMIT THE STATE COULD ABSORB IN THE FIRST TWO OR THREE YEARS. HE FAVORED SOME TYPE OF PRIORITY SYSTEM BASED ON THE ECONOMIC POTENTIALITIES OF THE NEW SETTLERS.

WB1OPES

NEW YORK, DEC.12-(AP)-A SEVEN-YEAR-OLD BOY WHO DOESN'T REMEMBER HIS PARENTS, HIS NATIONALITY, OR HIS REAL NAME ARRIVED TODAY ABOARD THE MARINE FLASHER IN SEARCH OF A HOME.

THE BOY, WHO HAS LIVED WITH THE AMERICAN ARMY IN GERMANY SINCE THE BATTLE OF THE BULGE THREE YEARS AGO, ADOPTED THE NAME OF JOHNNY FAGAN, FROM LT. WALTER FAGAN WITH THE OCCUPATION FORCES IN GERMANY.

"LT. FAGAN IS MY DADDY, BUT NOT MY REAL DADDY," JOHNNY EXPLAINED. "I HOPE THAT IF HE COMES BACK TO THE UNITED STATES I CAN LIVE WITH HIM."

JOHNNY SAID LT. FAGAN'S HOME IS IN CLEVELAND, BUT HE DID NOT HAVE THE ADDRESS. THE BOY SPEAKS GERMAN AND ENGLISH AND SAID HIS PARENTS WERE KILLED DURING THE WAR. HE WAS ONLY FOUR WHEN HE WAS PICKED UP BY AMERICAN TROOPS, TRAVELED WITH THEM IN GERMANY AND SENT TO AN ARMY SCHOOL AT WEIDEN.

DEC 1947

THE BOY WAS BROUGHT HERE UNDER THE SUPERVISION OF THE COMMITTEE FOR THE CARE OF EUROPEAN CHILDREN, WHICH WILL PROVIDE A HOME FOR HIM UNTIL HE CAN BE PLACED WITH A FAMILY.

FH1148AES

FIRST LEAD

CHICAGO, DEC.12-(AP)-COL. ROBERT R. MCCORMICK, EDITOR AND PUBLISHER OF THE CHICAGO TRIBUNE, DECLARED TONIGHT THAT UNLESS THE UNITED STATES RETAINS ITS OWN FORM OF GOVERNMENT "THE WHOLE WORLD WILL FALL WITH US."

COL. MCCORMICK, WHO RECENTLY MADE A 25,000 MILE AIR TOUR OF THE PACIFIC, TOLD A CHICAGO ECONOMIC CLUB MEETING HE HAD RETURNED HOME WITH THE CONCLUSION THAT THE FUTURE OF THE WORLD IS NOT AN INTERNATIONAL MATTER.

"IF WE CAN RETAIN OUR OWN REPUBLICAN FORM OF GOVERNMENT," HE SAID, I THINK IT IS MERELY A MATTER OF TIME UNTIL IT WILL BE EXTENDED TO THE OTHER GOVERNMENTS OF THE WORLD.

"BUT IF WE ALLOW OURSELVES TO BE REGIMENTED, BLED TO DEATH AND REDUCED TO POLITICAL SERVITUDE, THE WHOLE WORLD WILL FALL WITH US."

COL. MCCORMICK DISCARDED A SPEECH HE HAD PREPARED FOR DELIVERY, EXPLAINING HE HAD BEEN ASKED TO SPEAK INFORMALLY. IN THE PREPARED SPEECH HE HAD STATED THAT HE HAD LEARNED ON HIS TOUR "THAT IN 1938 AN AGREEMENT WAS MADE FOR THE UNITED STATES, FRANCE, ENGLAND AND HOLLAND TO MAKE WAR ON GERMANY AND JAPAN."

"I USE THE WORD X X X THIRD GRAF.

KK1109PCS NM

WICHITA, KAS., DEC.12-(AP)-DR. MILTON S. EISENHOWER, CHAIRMAN OF THE UNITED STATES COMMISSION FOR U. N. E. S. C. O., EXPRESSED CONFIDENCE TONIGHT THAT PROGRESS TOWARD WORLD PEACE WAS MADE AT THE RECENT MEXICO CITY CONFERENCE

IN AN ADDRESS PREPARED FOR DELIVERY AT THE FIRST KANSAS CONFERENCE ON U. N. E. S. C. O., DR. EISENHOWER SAID THAT AS A RESULT OF THE 39-NATION CONFERENCE, THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION "IS FAR STRONGER TODAY THAN IT WAS A MERE SIX WEEKS AGO."

DR. EISENHOWER, PRESIDENT OF KANSAS STATE COLLEGE, MANHATTAN, CITED AS THE THREE CHIEF MEXICO CITY ACCOMPLISHMENTS:

1. ADOPTION OF A 1948 PROGRAM IN "REALISTIC RELATION" TO THE 1948

30.24- 14205

BUDGET, IN CONTRAST TO A 1947 PROGRAM WHICH HE SAID WOULD HAVE COST $25,000,000 (MILLIONS) BUT FOR WHICH THE PARIS CONFERENCE PROVIDED ONLY $6,000,000 (MILLIONS).

2. UNANIMOUS APPROVAL OF PLANS TO REBUILD "MASS COMMUNICATION FACILITIES" OF WAR-RAVAGED NATIONS--WIRE, PRESS AND RADIO--WITH THE ULTIMATE GOAL OF "THE FREE FLOW OF INFORMATION ACROSS NATIONAL BOUNDARIES."

3. APPROVAL OF A PROGRAM TO ACTIVATE IN OTHER MEMBER COUNTRIES NATIONAL COMMISSIONS FOR U. N. E. S. C. O. COMPARABLE TO THAT IN THE U. S.

FJ819PCS NM

NIGHT LEAD WESTERN GOVERNORS

PORTLAND, ORE., DEC.12-(AP)-THE FAR WEST HAS BEEN CALLED UPON TO FILL THE ROLE OF GOOD NEIGHBOR AND BUSINESS FRIEND OF THE FAR EAST, GOV. EARL WARREN TOLD THE WESTERN CONFERENCE OF GOVERNORS HERE TONIGHT

"THERE IS A GREAT RENAISSANCE IN THE PACIFIC AND BEYOND IT IN THE FAR EAST," HE SAID AT A DINNER GIVEN BY THE PORTLAND CHAMBER OF COMMERCE.

MILLIONS, HE DECLARED, ARE LOOKING FOR NEW FRIENDS, AND "INSTINCTIVELY TO THE UNITED STATES."

"THEY LOOK TO US ON THE RIM OF THE PACIFIC BASIN. WE MUST LOOK TO THEM SYMPATHETICALLY. THEY CAN BE NOT ONLY OUR NEIGHBORS AND FRIENDS, THEY CAN BE OUR BEST CUSTOMERS AND WE THEIRS," GOV. WARREN SAID.

EARLIER THE GOVERNORS HEARD SENATOR MALONE (R-NV) FLAY WHAT HE TERMED LACK OF NATIONAL DECISION IN THE DIRECTION OF INTERNATIONAL POLICY, PARTICULARLY THE MARSHALL PLAN WHICH HE CALLED "AN INTERNATIONAL WPA" LEADING ONLY TO SOCIALIZATION OF BUSINESS AND GOVERNMENT OF NATIONS RECEIVING AID.

TOMORROW THEY WILL HEAR TALKS BY GOV. GRUENING, GOV. MON C. WALLGREN OF WASHINGTON, AND GOV. VAIL PITTMAN OF NEVADA.

THE GOVERNORS AVOIDED ANY MENTION OF POLITICS IN THEIR SESSIONS, BUT OUTSIDE THE DOORS A TOP OREGON OFFICIAL DISCLOSED PLANS OF OREGON REPUBLICANS TO CAPTURE OREGON'S 12 TO 15 NATIONAL CONVENTION VOTES FOR WARREN AS PRESIDENTIAL NOMINEE.

THE OFFICIAL, DECLINING TO BE QUOTED, SAID HE WAS SURE WARREN COULD WIN IN OREGON, EVEN IF OPPOSED BY SEN, ROBERT A. TAFT AND GOV. THOMAS DEWEY, NEITHER OF WHOM HAS FILED FOR THE MAY PRIMARIES IN THIS STATE.

FJ926PCS

POLISH

(ADVANCE)...(WX)...PORTLAND, ORE., DEC 12-(AP)-POLISH AMBASSADOR JOSEF WINIEWICZ SAID TODAY HIS COUNTRY FEARS THAT "THE REBIRTH OF THE AGGRESSIVE GERMAN SPIRIT" WILL START A NEW WAR WHICH COULD BE AVOIDED BY THE "FRIENDLY COOPERATION" OF THE UNITED STATES, RUSSIA AND BRITAIN

THAT IS WHY, HE TOLD THE CITY CLUB IN A PREPARED ADDRESS, POLAND "LOOKS WITH SOME ANXIETY AT THE PRESENT STATE OF RELATIONS BETWEEN THE GREAT POWERS."

DEC -1947

"THE INFORMATION WE POLES HAVE FROM GERMANY INDICATES THAT A NEW UNDERGROUND MOVEMENT IS WORKING THERE WHICH IS BASED IDEOLOGICALLY ON THE SAME PRINCIPLES WHICH LED GERMANY TO AGGRESSIVE WARS IN THE PAST," WINIEWICZ SAID, AND ADDED:

"NOTHING WOULD SUIT GERMANY BETTER THAN A SEPARATE PEACE CONCLUDED BETWEEN THE WESTERN GERMAN ZONES AND THE WESTERN ALLIES, WHICH SOME IMPATIENT PEOPLE ARE ADVOCATING."

WHILE HE EMPHASIZED HIS COUNTRY'S DESIRE FOR FRIENDSHIP WITH THE UNITED STATES, WINIEWICZ SAID "THE GREATEST ACHIEVEMENT OF POLISH POLICY IN THE FIRST YEARS FOLLOWING THE SECOND WORLD WAR WAS THE ESTABLISHMENT OF FRIENDLY POLISH-SOVIET RELATIONS.

"WE BELIEVE IT TO BE AN IMPORTANT FOUNDATION FOR EUROPEAN PEACE.

DEC -1947

"IF SUCH GOOD RELATIONS DID NOT EXIST, UNEASINESS AND TENSION WOULD PREVAIL AS WAS THE CASE AFTER THE FIRST WORLD WAR, WHEN WE HAD A BLOODY WAR AGAINST THE SOVIETS."

HE NOTED HOWEVER, THAT "POLAND IS A MEMBER OF MANY (INTERNATIONAL) ORGANIZATIONS IN WHICH THE SOVIET UNION TAKES NO PART," AND ASSERTED "WE DO NOT HAVE IN POLAND ANYTHING LIKE THE SOVIET SYSTEM."

COMMENTING ON POLAND'S REFUSAL TO JOIN THE WESTERN EUROPEAN NATIONS IN ECONOMIC COOPERATION UNDER THE MARSHALL PLAN, WINIEWICZ SAID, "THIS DOES NOT MEAN THAT POLAND IS AGAINST THE UNITED STATES

X X X

"IN THE MARSHALL PLAN 16 WESTERN EUROPEAN AND NORTH-EUROPEAN STATES ARE TAKING PART. WITH 14 OF THESE POLAND HAS NORMAL DIPLOMATIC RELATIONS, AS WELL AS DULY CONCLUDED TRADE AGREEMENTS, AND THE EXCHANGE OF TRADE BETWEEN US CONTINUES IN AN UNINTERRUPTED STREAM.

"WE DESIRE TO MAINTAIN THESE RELATTIONS." DEC -1947

(END ADVANCE TO BE HELD FOR RELEASE EXPECTED ABOUT 3.15 P.M., E.S.T., TODAY, FRIDAY, DEC. 12)

SH736AES

LAKE SUCCESS, DEC. 12-(AP)-AUSTRALIA'S FUTURE IN THE UNITED NATIONS ATTEMPT TO SETTLE THE DUTCH-INDONESIAN CONFLICT WILL BE THE TOP QUESTION FOR DISCUSSION WHEN THE SECURITY COUNCIL MEETS AGAIN NEXT TUESDAY, THE UNITED NATIONS ANNOUNCED TONIGHT.

AUSTRALIA WILL LEAVE THE COUNCIL DEC. 31 AND WILL BE REPLACED BY CANADA. THE GOOD OFFICES COMMITTEE OF THREE NATIONS WHICH IS NOW NEGOTIATING WITH THE DUTCH AND THE INDONESIAN REPUBLIC, WILL CONTINUE INTO THE NEW YEAR. THE COUNCIL MUST DECIDE WHETHER TO ASK AUSTRALIA TO STAY ON THE COMMITTEE, WHOSE OTHER MEMBERS ARE THE UNITED STATES AND BELGIUM.

EARLIER THIS WEEK THE COUNCIL DISCUSSED THE QUESTION BRIEFLY BUT RUSSIA ASKED THAT A DECISION BE DELAYED UNTIL THE NEXT MEETING. DEC 1947 THE RUSSIAN DELEGATE, ANDREI A. GROMYKO, SAID THAT IN ASKING FOR DELAY IN THE DECISION HE WAS NOT EXPRESSING OPPOSITION TO AUSTRALIA REMAINING ON THE COMMITTEE.

SEVERAL OTHER DELEGATES EXPRESSED THE OPINION IT WOULD BE BETTER FOR AUSTRALIA TO CONTINUE ON THE COMMITTEE RATHER THAN DELAY THE NEGOTIATIONS BY SELECTING A NEW NATION AND GETTING ITS REPRESENTATIVES TO THE SCENE.

RP937PES

End December 12, 1947

30.24- 14207

End of Big Four Parley Put Up to Marshall; Economic War Looms

DEC - 1947

W. Gallagher

LONDON, Dec. 13 (AP).—A "no quarter" economic war between the United States and the Soviet Union for Europe appeared a certainty tonight as Britain and France looked to Secretary of State George C. Marshall to take any lead in ending the deadlocked conference of Foreign Ministers.

Today's meeting of the ministers was postponed until Monday, on Britain's initiative, to allow tempers time to cool after yesterday's violent East-West blow-up.

Soviet Foreign Minister Vyacheslav Molotov, who lambasted the western countries yesterday in severe fashion, had luncheon with Secretary Marshall this noon at the home of Ambassador Lewis Douglas. An authoritative source said the luncheon was "purely social" and kept deliberately so by Marshall. He said no subjects connected with the conference were discussed. It had been arranged early in the week before Friday's dispute.

NIGHT

PUT UP TO MARSHALL

The majority of the French, British and American delegations were reported agreed that the London conference was "hopelessly" deadlocked.

But French and British sources said they were willing for it to continue for its effect on European opinion in that they would not take the initiative to break it off. Both said they were looking to Secretary Marshall to take any action that would end the meeting.

A Soviet source said after Friday's meeting that it would be up to Marshall to end the meeting as the Soviets would not take that step.

While the American delegation saw no hope of reaching agreement there were two schools of thought on ending the session.

One group felt Marshall should move to adjourn the meeting at once in order to halt Molotov's use of the conference for propaganda appeals to the German people. Another group, largely career diplomats, urged that the session be hurried through to the end of the agenda before any action is taken, in order to avoid criticism that America had refused any last chance for a settlement.

At this morning's meeting of the U. S. delegation it was reported Marshall had not committed himself to either group. It was expected that his action would be conditioned by Molotov's attitude.

If Molotov resumed his tirades against the west, Marshall was expected to make a strong statement and suggest adjourning the session. If it was milder, the American delegation probably would seek to speed the session through the agenda and try to end it later in the week.

While the meeting has been deadlocked on the subject of reparations it has become apparent the fundamental difference that has pushed the conference on the rocks is the struggle between the United States and Western Europe with the Marshall Plan on one side, and Eastern Europe with the Soviet Union and "Soviet Plan" on the other.

The unyielding position on fundamentals has made it clear both the United States and Russia are determined to fight their plans through to a finish.

of action.

Met At Luncheon

Foreign Minister Molotov of Russia had luncheon today with Secretary of State Marshall at the home of United States Ambassador Lewis Douglas.

An authoritative source said Marshall kept the meeting "purely social," steering away from subjects connected with the Foreign Ministers Conference. The luncheon had been arranged before the Friday conference session in which Molotov lambasted the western countries and Marshall made a severe reply.

DAY

"Hopeless Deadlock"

Authoritative sources said the American delegation agreed the conference was "hopelessly deadlocked" on the subject of reparations and that without agreement on reparations, discussion of economic and other subjects was useless.

Secretary Marshall is expected to decide over the week end whether to try and break off the conference immediately or go through the function of finishing the agenda before doing it. Part of the decision will depend on the attitude of Molotov at the opening of the Monday meeting.

Molotov was understood to be willing that the sessions continue. A Soviet spokesman said the future of the parley would depend on Marshall.

Some of Marshall's advisers said privately they believed Molotov's attack yesterday, when he denounced the whole range of the Western powers' policy in Germany, had killed all hope even for superficial Big Four agreements on Germany and that little if anything could be accomplished by going on here.

Others contended that Marshall might better avoid a move to end the conference immediately because of the possibility of the upsetting effects throughout Europe of such a formal Big Four break.

May Seek Accord

Similar views had to be resolved into a course of action in the delegations of British Foreign Secretary Ernest Bevin and French Foreign Minister Georges Bidault. Beyond that it seemed certain the leaders of the Western powers would seek an accord before taking any drastic action.

The speech in which, as some Western diplomats said, Molotov "threw the book" at Marshall, Bevin and Bidault, came as a surprise, because delegations of the Western powers went into yesterday's meeting expecting a continuation of Molotov's mild, conciliatory tactics of last week.

Some had speculated that he might suggest a compromise on reparations.

Tore Up First Speech

Possibly that was what Molotov intended. Soviet informants said he had the speech prepared for Thursday's Council meeting but did not get a chance to deliver it—or perhaps was not ready to. Yesterday, according to this account, he tore up his speech and substituted another. There was considerable speculation that the Soviet Minister acted on new instructions from the Kremlin to revert to tougher tactics.

What he charged had all been said by various Soviet officials or propaganda agencies before. Molotov charged the Western powers were profiting on German exports, were buying up German firms, were piling up economic obligations on Germany and trying to "perpetuate the division of Germany."

Single Bombshell

All this, Molotov declared, was part of a strategic scheme to convert the Western zones into a basis for an attack on the "democratic"—that is, the Communist—countries of Europe.

What was new, however, according to American officials, was to have Molotov organize all these charges into a single bombshell speech and explode it in the faces of Marshall, Bevin and Bidault. Among them the three had already denied each of the charges. In bringing up the same points again, Molotov had in effect labeled their denials as false.

When Molotov finished and his statement was translated, harsh words began to fly from the other three corners of the table—words that in the older diplomacy would have been fighting talk when exchanged between Foreign Ministers.

Marshall declared that Molotov's "method of procedure makes it rather difficult to inspire respect for the dignity of the Soviet Union." Bevin plunged in, swinging verbal blows. Molotov, he said, had dealt to the other Foreign Ministers "insults" and "abuse" which would be resented by the people of the British Empire.

Electric Tension

Members of the American delegation present in the room said the tension was electric.

"I suddenly had a sense of being present at a critical moment in world affairs," one of Marshall's advisers said.

The starting point of the angry argument was a British proposal that the United States, Britain, France and Russia agree to supply information about reparations from their zones of Germany. This was mainly an effort to smoke out the Soviet Union on withdrawals from Eastern Germany which Bevin said had been reported to total $7,000,000,000.

Molotov countered with a move which would have made the agreement to give information conditional on agreeing first on the amount of reparations.

Deadline Demand

The Western Ministers said this was impossible. Marshall demanded that the information be reported by Monday. Molotov rejected that unless his conditions were accepted.

Big 4 Postpone Talk For Cooling Off

DEC - 1947

J. Hyland

London, Dec. 13 (AP)—The Foreign Ministers' session scheduled for today was postponed until Monday on British initiative, in order to allow tempers to cool after last night's violent argument.

The postponement was announced by the conference Secretariat.

A member of the United States delegation said it was agreed that another session today would only result in quick tempers and confusion. The two-day recess will give the ministers time to plan a course

Berlin Red Press Ignores Big 4 Rebukes to Molotov

BERLIN, Dec. 13 (AP).—The barrage of charges against the Western powers from Soviet Foreign Minister Viacheslav M. Molotov at yesterday's meeting of the Foreign Ministers Council at London were front-paged today by Russian-controlled newspapers, which ignored the indignant replies made by the Western ministers.

Mr. Molotov's charges were presented under such headlines as, "Unrestricted Exploitation of Germany by Western Powers."

Only in Western-licensed newspapers, which are in the minority here, could the Germans read the rejoinder of British Foreign Secretary Ernest Bevin that he regarded Mr. Molotov's charges "untruths and insults," and Secretary of State George C. Marshall's comment that the attack made it "difficult" to inspire respect for the dignity of the Soviet Union."

DEC - 1947

Marshall Seeks To Split Reich, Reds Told

Moscow, Dec. 13 (AP)—A Tass dispatch from London said today sessions of the Foreign Ministers have shown the Americans had decided beforehand to divide Germany.

The official Soviet news agency informed Russian newspaper readers:

DAY

"From the very beginning of the London session, it was apparent the American delegation had decided beforehand on separating western Germany from Germany, with the aid of the British and French delegations. They counted on using the reparations question for the demagogical game."

Remarks Called "Deviation"

The dispatch said this became evident Wednesday when Marshall, "with no direct connection with the question being debated at the time, suddenly demanded that the U.S.S.R. deviate on reparations from western Germany."

[Marshall told the Foreign Ministers Wednesday:

["I wish it to be clearly understood that the United States is not prepared to agree to any program of reparations for current production as a price for unification of Germany."

[The Soviet Union has demanded $10,000,000,000 in reparations over a twenty-year term.]

Bevin's Speech "Fantastic"

Tass said that in asking for Soviet reparation figures on eastern Germany Marshall was "obviously continuing his demagogical game." Remarks by British Foreign Secretary Ernest Bevin on this matter were described as "fantastic inventions."

Tass said Marshall had failed to give proof that no property had been acquired in the American zone of Germany by individuals or the American Government. It added that the western delegations refuse to state their point of view on the issue of the Ruhr.

Tass said the attitude of the French delegation deserved no special attention, since it was evident the French were afraid of arousing American anger.

BRITISH URGE VETO BAN IN PACT TALKS

Oppose Russ View On Drafting Jap Peace Treaty

London, Dec. 13 (AP)—Britain registered today firm opposition to giving the major powers veto privileges in drafting a Japanese peace treaty and rejected Russia's demand that preliminary treaty discussions be limited to the major powers.

The anti-veto stand was designed to avoid the deadlocks and delays which have blocked agreements on Germany and Austria.

In separate notes to the Chinese and Russian governments, the British Foreign Secretary, Ernest Bevin, served notice Britain would hold out for full equal participation by all nations with "vital interests" in the Far Eastern Commission.

Bevin urged a preliminary treaty conference early next year because "an early re-establishment of peace and normal conditions in the Far East is of paramount importance."

Meeting Deferred Once

Under a United States proposal, the participating countries would comprise those on the Far Eastern Commission—The United States, Britain, China, Russia, France, Canada, Australia, India, New Zealand, the Netherlands and the Philippines.

Britain accepted the United States invitation. Russia and China made counterproposals. Original plans to hold the meeting last fall were deferred because of inability to reach agreement. The United States made clear unofficially a peace conference will be held ultimately regardless of Russia's decision on attendance.

Bevin said in his note to Russia and China that "any procedure involving the right of the veto could only delay the conclusion of an early settlement and would conflict with the principle of equitable representation of the interests of all the principal combatants."

Britain suggested that the decision on questions of substance should be reached by a straight two-thirds vote of participating countries. China had advocated a two-thirds rule, with the stipulation the majority must include the concurring votes of China, Russia, the United States and Britain.

Russ Proposal "Inappropriate"

To Russia Bevin said the Soviet suggestion for limiting preliminary Japanese discussion to the big powers was "inappropriate." He added:

"His Majesty's Government consider that all these countries which are specially concerned in the settlement with Japan, by reason not only of their contributions to the defeat of Japan, but also of the degree to which they suffered from Japanese aggression, and of their vital interests in the future peaceful development of the Pacific area, are entitled to be represented as parties principal in that settlement."

The note said that "their exclusion would prejudice the efficacy of a settlement in which they have the right to be consulted fully at every stage."

Copies of both notes were sent to the United States.

Russ-Hungary Deal Annoys Britain

DEC - 1947

London, Dec. 13 (AP)—The British Foreign Office expressed concern today over a Russian-Hungarian agreement for disposition of Germans assets in Hungary.

A spokesman said the agreement apparently failed to safeguard the interests of citizens of other countries.

The Communist-dominated Hungarian Government announced Wednesday that an agreement on German assets and property had been signed in Moscow. A reliable informant in Budapest said that under the terms Russia had reduced from $260,000,000 to $45,000,000 her claims for goods delivered by Germany to Hungary during the war.

Requests Ignored

The Foreign Office spokesman said that Britain, under the Potsdam agreement, recognized Russia's claims to Germany's external assets in Hungary but had formally requested Russia November 20 to:

1. Avoid attempting to determine unilaterally just what are German assets in Hungary.

2. Allow the chiefs of the American, British and Russian missions in Budapest to settle collectively any disputes over assets.

3. Agree to take over the obligations as well as the assets of any German property figuring in reparations.

The spokesman said that although details are lacking, the agreement "does not appear to take regard of these points." He added that "it has not yet been decided what course of action we will pursue."

OUTPUT STIRS NEW OPTIMISM FOR BRITISH

Morrison Says Nation Has Rounded The 'Recovery Corner'

DEC - 1947

London, Dec. 13 (AP)—Increasing evidence that Britain is surely beating back national poverty has brought a new surge of optimism to these islands.

Herbert Morrison, deputy Prime Minister, declared in a speech delivered tonight that Britain had rounded the "recovery corner."

"Let's look at the facts and figures and be proud of ourselves as a people," he said.

"I am the last to start cheering before the game is won," he added, but "it's not going too badly."

Coal Experts Allowed

The new optimism has spread even to the office of Sir Stafford Cripps, dour boss of Britain's economics and finance, where a spokesman said "things are on the up and up."

The optimism is as clear a change of spirit as was the tiredness and let-down feeling that followed the war. Good news now is hailed in headlines that for months have told only of ration cuts and one "crisis" after another.

The most spectacular bright spot is in coal production, which has risen above safety levels and allowed renewal of exports. Even the black spots in the industrial picture—a severe shortage of freightcars, comparatively low textile production and the foreign trade deficit—are brightening a little.

Railcar Shortage

The shortage of railcars, so worn by hard use during the war that 54,000 of them have gone out of service in the past year, may yet produce a "crisis" before spring, particularly if there should be a long stretch of severe weather.

But there is a strong spirit to work harder. Thousands of volunteers have turned out to unload freightcars, clearing nearly 50,000 of them last week end—enough to make up for the decline in numbers of cars.

This human factor—a resurgence of the wartime will to win—is something that cannot be assessed in production statistics.

But it certainly is recognized. A Coal Board spokesman said last week that it was highly responsible for the fact that coal production has exceeded 4,000,000 tons for four successive weeks.

"A Bounce Toward Prosperity"

A spokesman at Cripps's office said Britain's planning is based on an assumption that the Marshall plan will not be approved. "If and when it is approved, it will give us a bounce toward prosperity," he added.

"The difficulty is that things turn against us overseas—the terms of trade are bad," the spokesman continued.

others—automobiles, gas and electricity, electricity generator manufacture, public transport.

Production Is Climbing

Production is climbing, too. Iron and steel output, for example, is bowling along at a rate of about 14,000,000 tons a year, edging above its wartime record.

Employment and production are down from prewar levels in some industries—chiefly textile. Others include tailoring, paper making, publishing, furniture manufacture, shoemaking and the commercial, financial and distributive businesses.

On long-term plans, electricity generation and increased farm production are major items.

Agriculture Mechanized

Notable is that in the first seven months of this year Britain produced enough electricity generating equipment to turn out 630,000 kilowatts—more than twice last year's total production of such equipment.

Mechanization of agriculture, speeded up during the war, is proceeding. The output of tractors and plowing, planting and harvesting machinery is at record levels. Fertilizer now is produced at twice the prewar rate.

"This is a major step in a program of increased self-sufficiency," said a Government spokesman.

"Bad" terms of trade mean that, although Britain export production has been boosted well over 1938 levels, the income from selling it buys a proportionately much smaller volume of imports because of vastly higher prices that must be paid abroad.

In the first ten months of this year, for instance, Britain ran into debt on her trade balance by 518,387,498 pounds ($2,073,549,992)—about 60 per cent above her trading deficit for the same ten months in 1938.

Would Help Carry Burden

The Marshall plan would help carry this burden until Britain boosts its export production to 175 per cent of the 1938 volume, the goal officially set as Britain's level for self-support.

Meantime, Britain has about $2,000,000,000 in gold and other assets for itself and the rest of the sterling area. It has sold $412,000,000 in gold in the last three months and changed pounds into another $120,000,000 with the International Monetary Fund.

Now the remaining $400,000,000 of the American loan has been unfrozen. At the rate at which gold was spent the rest of the loan should last for about two months. One hundred million of the balance was drawn this week.

Amid these financial-trade difficulties, Britain is mending its foreign trade fences with new agreements.

Trade Pact With Russia

Spotlighted this week was the announced agreement "in principle" with Russia under which Britain is to get 500,000 tons of corn and other coarse grain—a strong boost for rebuilding beef, hog and poultry production.

In return, Russia will get machinery, electrical equipment and steel rails. The fact that Britain now is able to guarantee delivery of these materials—which she couldn't do last summer—is a measure of the nation's increased industrial strength.

Coal is the kingpin of this recovery. The goal of 200,000,000 tons for this calendar year—once thought impossible—is now in sight. Coal exports, with which Britain once bought a large portion of her food, have been resumed.

Mine Manpower Rising

Arthur Horner, Communist general secretary of the National Mineworkers Union, predicts the country can export 14,000,000 tons next year, well over the 6,000,000 tons she promised Europe in the Marshall-plan conferences, and regain prewar volume of 50,000,000 tons in two years.

Hugh Gaitskell, Fuel Minister, has announced the official target for 1948 is 214,000,000 tons—10,000,000 for export.

Mine manpower is slowly creeping upward. So is mechanization of the pits, to which about 200 mechanical cutters and 200 conveyors are delivered each month.

Employment in the steel and heavy-metal trades is considerably above prewar levels, totalling about 1,160,000 now, compared with 880,000 in June, 1939. Employment in these industries is still creeping upward.

British Doubt Tito Plans Immediate Trieste Coup

LONDON, Dec. 13. (AP).—The British Foreign Office says it knows of "no imminent threat" of an attempt by Premier Marshal Tito's Yugoslav government to take over the Free City of Trieste.

Its view was expressed at a news conference today in response to queries prompted by a London "Daily Graphic" report quoting unnamed members of the Big Four Foreign Ministers' staffs here as saying an attempt was likely "within three weeks, if not sooner."

The Foreign Office spokesman said that "we are entirely tranquil" about the situation in Trieste, but "I am not prepared to confirm that ye are anticipating an early coup there."

Russia to Offer Lottery Loan

LONDON, Dec. 13 (AP).—Tass, official Soviet news agency, reported today that the government would offer the Russian people a new internal state lottery loan, first issue of which will be floated this month.

Seven lotteries will be conducted annually to finance the borrowing, which will be for a period of 20 years at three percent interest, Tass said.

This month's issue will total one billion, one hundred million rubles. Bonds and income from the loan in the form of lottery winnings will be exempt from national and local taxes.

(The official ruble rate is 5.3 to the dollar.)

DEC - 1947

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Marshall Called Wonderful Santa

London, Dec. 13 (AP)—The United States Secretary of State is "the most wonderful Santa Claus the world has ever seen," according to Cyril Osborne, Conservative member of Parliament.

"His plan is history's greatest Christmas box," Osborne said in a speech today at Market Rasen, Lincolnshire. "England should give the lead to Europe by expressing her thanks for this most astonishing act of generosity, for the Americans are tightening their own belts to give away food they have grown by the sweat of their brow."

20 MORE RUSSIANS EJECTED BY FRANCE

Action Brings To 56 The Total Recently Expelled

L. Nevin

Paris, Dec. 13 (AP)—The Ministry of the Interior announced tonight that "about twenty" Russians attached to the former Soviet Repatriation Mission were expelled from France yesterday. This action brought to approximately 56 the number of Russians ejected since November 25.

The Foreign Ministry said tonight in reply to a Soviet protest that the latest group should have left France last Tuesday when twelve of the sixteen members of the mission were put aboard a train for Berlin and the Soviet zone.

The expulsion began November 25 when nineteen Soviet citizens were taken to the frontier under armed guard for allegedly mixing into French affairs during the wave of internal upheaval and strikes.

NIGHT

Two Refused To Go

Between then and December 9 seven others were ordered to leave for the same reason. The Interior Ministry said two refused to go back to their homeland and were permitted to remain in France, however.

Four members of the repatriation mission could not be found when twelve of their comrades were expelled last Tuesday. The four were belived to have been in the group escorted out of France yesterday. Members of this group were attached to the mission as secretaries, chauffeurs and other minor capacities.

Alexandre Abramov, Soviet chargé d'affaires, protested the "arrest" in Marseille and Paris of eight of the group of about twenty this morning. But the French Foreign Office flatly rejected the Soviet note.

"Profound Indignation"

The Soviet note demanded their immediate release and expressed "profound indignation."

The French reply attacked the "inadmissible character, in the eyes of the French Government, of certain of the terms" of the Soviet note.

"The French Government has even more right to complain," the note added, "in that the Soviet nationals in question were not arrested but expelled. These expulsions were made necessary by the fact that these persons should have left French territory December 9 at the same time as Colonel Filatov and the other members of the Soviet Repatriation Mission."

Refused To Receive Note

The note said the Soviet nationals "remained in France without paying the slightest heed" either to the French Government's order for them to leave or the instructions of their own Russian Government to come home.

Earlier this week, the French Government refused to receive a Soviet protest over the expulsion of the nineteen Russians on November 25 and a French raid on a Soviet repatriation camp. The French said they would not receive the Soviet note because of its language and because it was made public before it was given the French Government.

DEC - 1947

A later French note charged the camp at Beauregard had been used to send French citizens to Russia.

The Soviet note broke off negotiations for a trade pact with France by which France hoped to get 300,000 tons of wheat, and carried a hint that the Russians might disavow the twenty-year mutual assistance pact that was negotiated by Gen. Charles de Gaulle in 1944.

Issued First To The Press

The de Gaullist newspaper *Paris-Presse* tonight declared "The U.S.S.R. is trying to find a way of denouncing the Franco-Soviet pact."

Premier Robert Schuman said tonight in a communique that the Soviet protest this morning also was communicated to the press before it was presented to the Foreign Ministry.

Moscow dispatches said Lieut. Col. Raymond Marquie, a Communist of long standing who headed the French Repatriation Mission in Russia, was leaving by train for Berlin tonight. Ordered to leave Russia several days ago by the Soviet Government, his departure was delayed reportedly by bad weather. The French officials said, however, he was not anxious to come home because he faces disciplinary action for having taken the Soviet's side in the quarrel.

Russia Protests New French Arrests

DEC - 1947

Paris, Dec. 13 (AP)—A Foreign Ministry spokesman said today the Soviet Embassy had protested new French arrests of Russian citizens at Paris and Marseille.

He said the note had been delivered this morning and was being translated. He said he was unable to give any details as to its contents or comment upon it.

The semi-official French press agency quoted the Soviet Embassy as saying Alexandre Abramov, the chargé d'affaires, had handed a note to Jean Chauvel, secretary general at the French Foreign Ministry, asking the immediate liberation of those arrested.

One of Abramov's aides said there had been seven new arrests —four in Paris and three in Marseille. He said the three persons taken at Marseille had come from the Soviet Union by way of Paris, while those taken here were simply "Soviet citizens." He had no further information on the names of those arrested, nor the motives for their detention, he said.

DAY

24 Have Been Expelled

Those previously expelled were "White Russians" who have taken Soviet citizenship since the war. A spokesman for the French Interior Ministry said today that a total of 24 Soviet citizens had been expelled from French territory in this group last month. He explained there were originally 26, but two had refused to enter the Russian zone of Germany and had been permitted to remain.

The French official said there had been no new arrests, but that some members of the Soviet Repatriation Commission who had not yet left France were escorted to the frontier.

France has a colony of 75,000 "White Russians," most of whom came here 30 years ago as refugees from the Communist revolution. About 11,000 have taken Soviet citizenship since the war and 1,500 have returned to the Soviet Union.

Embassy Aide Quoted

The news agency quoted Karp Starikov, first secretary of the Soviet Embassy, as saying:

1. A member of the embassy, Alexander Ossipovitch Sorokin was arrested at Marseille, where he was to escort a group of Soviet citizens aboard the Russian ship Pobieda, which arrived this morning from Odessa to repatriate a group of Armenians to the Soviet Union. He was expelled to Germany without notification to the Soviet Embassy.

2. Three members of the Soviet repatriation mission were arrested at Marseille—one of them for the third time—and taken by the police in an automobile to an undisclosed destination. One carried a diplomatic passport, and another was a captain in the Red Army.

3. Four Soviet citizens were arrested in Paris, including the former commandant of the Soviet repatriation camp at Beauregard, near the capital, and two chauffeurs of the repatriation mission.

Holds Ouster Legal

Earlier this week the French Government refused to accept a Soviet note protesting the expulsion of nineteen Soviet citizens from France last month, and last night it informed Moscow that it considered that action had been entirely legal and proper.

A Foreign Office note, handed to the Soviet Embassy last night, said the nineteen, whose expulsion was carried out at the height of the recent Communist-bossed strikes in France, were expelled in accordance with international law and usage and without mistreatment. The French accused them of "interference" in the affairs of France.

Cabinet Backed

The note was made public only a short time after the National Assembly gave Premier Robert Schuman's Cabinet a new vote of approval in a debate on criticism of the French Government by Lieut. Col. Raymon Marquie, Communist chief of the expelled French Repatriation Mission to Moscow. The vote was 411 for Schuman and 183 Communists against.

The expulsion of the nineteen Russians was followed last Tuesday by the mutual ouster of each other's repatriation missions and severance of trade negotiations. Marquie accused his Government of being at fault.

France's Need for Aid Is Increased by Strikes

PARIS, Dec. 13 (AP).—The recent strike wave reduced stockpiles so much that France will be forced to appeal for more American interim aid if Marshall plan help is delayed beyond March 1, a government source said tonight.

The government source, who requested anonymity, said Rene Mayer, Minister of Economic Affairs, estimated that interim aid, onw before the Congress at Washington, would carry the nation through January and possibly February, depending on the rate of production in coal mines and industry.

The Communist-led strikes cost France the equivalent of $830,000,000 in salary losses to strikers, lack or output in industry, particularly capital production, and lower tax revenue.

Sources close to Mr. Mayer indicated that the balanced budget for 1948, promised by former Premier Paul Ramadier, was out the window, mainly because of the strikes. A deficit of about 250,000,000,000 francs ($2,106,250,000) was forecast.

LeHavre Elects Gaullist

LE HAVRE, France, Dec. 13 (AP).—Pierre Courant, a member of Gen. Charles de Gaulle's Rally of the French People (RPF), today was elected mayor of Le Havre. He defeated the Communist candidate 18 to 15 in a bitter fight for control of city hall in this important port city.

AMERICAN TRAIN 'GASSED'

Incident in Russian Zone Told Upon Arrival in Berlin

BERLIN, Dec. 13 (AP)—Tear gas was thrown into a passenger coach of an American train while it was passing through the Russian zone en route from Bremerhaven to Berlin, the train commander reported on arrival tonight.

The gas, thrown by persons unknown, affected about fifteen passengers, mostly GI's. The commander said the gas entered the coach through an open window at a small station near Madgeburg.

This is the second incident reported in two days concerning an American train in the Russian zone. The United States Provost Marshal's office said yesterday that a military freight train was held up and broken into by fifteen armed Russians who took no loot. Train guards said the Russians were intoxicated.

RUSSIANS DISAVOW FIRING

Hint Their Troops Did Not Shoot at U. S. News Man in Berlin

BERLIN, Dec. 13 (AP)—Russian occupation authorities through their official news bureau, sought today to deny that one of their soldiers had fired on an American correspondent Thursday as they were preparing to blow up Adolf Hitler's air raid shelter. The Russians said no Russian troops were present.

This contradicted officially authorized accounts of the blasting, published yesterday in two Russian-controlled newspapers, the Berliner Zeitung and the Morgen. These papers said the demolition had been conducted by "a commando group of the Soviet Army."

A statement by the news agency that the demolition had been conducted by civilians also was denied by officials at two German police headquarters, the presidium in the Russian sector of the city and Local Station 1 for central Berlin. Germans in charge at both places said the operation had been conducted by Russian troops.

The shot at the correspondent, witnessed by at least two Germans, went wild.

DEC - 1947

U. S. Reporters To Tour Soviet Zone

BERLIN, Dec. 13 (AP).—Acting on a request that was pending for three months, the Russians today agreed to open their occupation zone of Germany to American correspondents for a conducted tour.

Tentative starting date for the tour is Jan. 8, when the Russians have promised to admit eight Americans.

Christmas Trees To Be Rationed In Berlin

Berlin, Dec. 13 (AP)—Like nearly everything in Berlin, Christmas trees are being rationed.

To get a tree—legally—a family must have children. Together with their December food ration cards Berlin families receive Christmas tree coupons. A brown coupon goes to families with two or more children and they are honored first. Green coupons go to families with only one child and they are honored after the brown coupons have been satisfied.

Precautions are being taken to combat blackmarket trading in Christmas trees, decorations and toys.

Coal Trains Guarded

Hamburg, Germany, Dec. 13 (AP). German railway police have erected barbed wire barricades along "vulnerable" stretches of railway track to prevent mass coal pilfering from trains. Last winter coal trains from the Ruhr lost as much as one third of their load through pilfering on the journey to Hamburg.

COMMUNISTS LOSE IN ITALY

Move Against Police Voted Down In Assembly

F. Basile

Rome, Dec. 13 (AP)—The constituent Assembly rejected tonight a Communist move to investigate police action in the turbulent two-day general strike held throughout Rome Province, in which both sides still claimed victory. The motion was beaten 216 to 111.

The Assembly reconvened for the vote after debate degenerated into shouting and name-calling and its Communist president, Umberto Terracini, suspended the session.

Debate Use Of Clubs

The debate dealt largely with the use of clubs by the police, a record force of 67,000 of whom were on duty in the Rome vicinity yesterday before labor voted to end the strike at midnight.

Communist Deputy Gian Carlo Pajetta, who yesterday found himself in the center of a melee, charged that "provocative forces" had infiltrated police ranks.

Through official statements and newspaper articles, Lefists declared that the strike had succeeded, while the Center, the Right and some neutral quarters said it had failed.

Subscriptions For Police

Two independent and monarchist Rome papers started subscription funds to buy Christmas presents for the police for their work during the strike.

Vatican City's *l'Osservatore Romano* said the strike could not have lasted a third day, and that Giuseppe di Vittorio, Communist secretary of the General Confederation of Labor whose Rome branch called the walkout, had "made a forced landing."

l'Unita, Communist newspaper declared, "The workers have won."

The independent Rightist newspaper *Giornale d'Italia* said, "The experiment has failed."

"Rome Wins Its Test"

The Christian Democrat paper *Il Popolo* said "Rome wins its test against agitators and civil war."

Premier Alcide de Gasperi's office declared in a communiqué that the Government had made no concessions to the strikers beyond those offered before the strike was called.

The Communists claimed last night, when the strike was called off, that they had forced the Government to grant an additional 7,700,000,000 lire ($13,547,974) for aid to Rome province's 80,000 unemployed in the form of public works.

"Without Foundation"

The Government communiqué said this claim was "without foundation" and asserted the strike ended where it began—with an offer of 11,000,000,000 lire ($19,433,820) of which 4,000,000,000 were funds already set aside for public works and 7,000,000,000 in new appropriations.

The Rome Labor Chamber had asked 10,000,000,000 lire in new appropriations. A reported offer of the city government to add 2,000,000,000 lire to help meet the strikers' demands was not confirmed.

The Interior Minister also denied the claim in the labor "victory" announcement that the Government had agreed to immediate release of the 400 to 600 persons arrested during the strike. The ministry said disposition of those arrested was up to the courts.

Effectiveness Dropped

A survey of neutral observers agreed that the strike was nearly 100 per cent effective at its start on Thursday, but that it dropped rapidly to 50 or 60 per cent the second day.

Many believed that if it had continued a third day its effectiveness would have fallen off to not more than 25 per cent.

Many also believed that Premier de Gasperi's Christian Democrat Government had emerged stronger.

One index was his attitude toward the efforts to broaden his Cabinet by including the moderately Leftist Republicans and Labor Socialists.

De Gasperi said on Wednesday he had hopes of concluding his negotiations that day. But then the strike intervened. The Republican representative in the Chamber of Labor voted for the strike, while the Labor Socialist abstained. The next day Republican delegates voted against continuance of the strike.

Tonight, after gaining assurance that he could depend upon his police forces, de Gasperi was reported determined not to grant Republican demands for the Ministry of Defense as their price for participation in the Government. He was reported also unwilling to grant the Labor Socialist request for the Commerce and Industry post.

REDS' VICTORY CLAIM DENIED BY DE GASPERI

Italian Premier Asserts General Strike Ended Where It Originated.

SITUATION IN ROME NORMAL

Labor Leaders Admit Surprise at Efficiency of Security Plans and Execution.

J. M. Knight

Rome, Dec. 13 (A. P.).—The government of Premier Alcide de Gasperi denounced today as "without foundation" Communist claims of victory in the forty-eight-hour general strike which ended at midnight.

DEC -1947

The Communists asserted that they had squeezed an additional 7,700,000,000 lire ($13,547,974) in unemployment relief funds out of the Government with the strike, which ended after a steely show of Government might.

A communiqué from the office of the Christian Democrat Premier said the Communist claim was unfounded and that the strike ended where it began—with an offer of 11,000,000,000 lire ($19,344,820). That included 7,000,000,000 lire for new appropriations and 4,000,000,000 from funds already set aside for public works, the communiqué said.

Situation Again Normal

A report that the City of Rome was prepared to add 2,000,000,000 lire ($3,517,000) has not been confirmed. Labor had asked for a 14,000,000,000 lire program, with 10,000,000,000 in new appropriations.

The situation in Rome was back to normal this morning with ending of the strike. Jeeploads of riot police circulated through the city, but found no trouble.

The Communist-dominated Chamber of Labor of Rome province, which ordered the work stoppage Wednesday night and called it off last midnight, used only one word in its daily news bulletins this morning: "Victory."

Demands Satisfied

Il Popolo, the organ of the Christian Democrat party, declared just as flatly in a secretly set and printed issue timed to appear as the strike ended: "Strike Fails."

Giuseppi di Vittorio, Communist secretary general of the National Labor Confederation, who helped negotiate the end of the work stoppage, told 120 union leaders who indorsed the chamber's vote to end the strike, that the victory was "brilliant."

A Chamber of Labor communiqué said appropriations by the City of Rome and Rome Province, added to what the national Government already had offered for winter relief for the unemployed, satisfied its demands.

Strike Termed Political

Di Vittorio said the work stoppage served a useful purpose in obtaining immediate public works appropriations to relieve widespread unemployment and in focusing national attention on the plight of an estimated 1,300,000 jobless persons.

De Gasperi, on the other hand, declared that large-scale public works projects already were in the mill and that the agreement which ended the strike could have been reached before it began.

He implied what other members of his party and his party's newspaper said in plain words, that the strike was called for political purposes only. Leftists have been galled since de Gasperi tossed them out of his Cabinet last May.

Thousands Return Early

Even before the official end of the strike, thousands of workers defied the leaders and went back to their jobs under the protection of 67,000 police, the strongest such force ever assembled in Rome.

Truman Says U.S. Will Act If Italy Is Perilled

Warning Issued As Last GI's Prepare To Leave Tonight

DEC -1947

WASHINGTON, Dec. 13 (AP). — On the eve of the withdrawal of the last American soldiers from Italy, President Truman warned tonight that if that nation's freedom was threatened "directly or indirectly" the United States would consider "appropriate" measures.

Without mentioning Communist-led strikes and disorders, the formal 100-word statement emphasized that while the troops are being withdrawn in accordance with treaty obligations, the United States has by no means lost its interest "in the preservation of the peace and independence of Italy."

The statement coincided with reports which lacked official confirmation—that this Government is actively considering supplying modern arms to the limited forces permitted to Italy by the new peace treaty.

1600 TROOPS SET TO LEAVE

Mr. Truman's statement, published as a final contingent of 1600 American troops prepared to board a homeward bound transport at Leghorn, said:

"Although the United States is withdrawing its troops from Italy in fulfillment of its obligations under the treaty of peace, this country continues its interest in the preservation of the peace and independence of Italy.

"If in the course of events it becomes apparent that the freedom and independence of Italy on which the peace settlements is based are being threatened, directly or indirectly, the United States as a signatory of the peace treaty and as a member of the United Nations, will be obliged to consider what measures would be appropriate for the maintenance of peace and security."

5000 GI's TO GUARD TRIESTE

The treaty, which went into effect Sept. 15 following its ratification by the United States, Soviet Russia, Britain and France, calls for withdrawal of all Allied occupation forces within 90 days and the period expires tomorrow at midnight.

Five thousand American troops remain, along with British and Yugoslav forces of the same size, to safeguard the free territory of Trieste on the Italian-Yugoslav border. Italy's postwar armed forces are limited to 185,000 men in the regular army and 65,000 in the Carabinieri, auxiliary force of gendarmes. Across the border in Communist-dominated Yugoslavia is an army estimated at 500,000 under Moscow-trained Marshal Tito, Yugoslav dictator.

ARMS SHIPMENT HINTED

Mr. Truman's warning statement and the reports of possible American arms for Italy fitted against that background.

One report circulated this week that the United States was arranging to ship 18,000 heavy and light machine guns, 120,000 rifles and ammunition to Italy. It produced a terse "no-comment" from the State and War Departments.

Italian Ambassador Alberto Tarchiani told a reporter he has no informaton on the subject.

GENERAL STRIKE ENDS

Along with the withdrawal of American troops, Mr. Truman's statement coincided also with the windup of a two-day general strike in Rome carried out under Communist sponsorship. It came too at a time when the Administration was making final preparations to submit to Congress detailed estimates for the four-year Marshall Plan for European recovery. Italy's postwar plight is expected to figure prominently in these estimates.

The last American occupation troops to quit Italy are a force of headquarters and supply troops under Maj. Gen. Lawrence C. Jaynes, commanding general of United States forces in the Mediterranean theater. They are due to sail before midnight Sunday from the port of Leghorn aboard the

DEC -1947

30.24- 14211

Army transport Admiral Sims.

DEC. 3 LEAVING EXTENDED

Generally regarded as a stabilizing influence, the contingent originally was scheduled to leave Dec. 3 when Premier Alcide de Gasperi's non- - Communist government was facing the general strike threat and trying to cope with Communist disorders in Milan and other cities. Their departure was postponed.

They are the remnants of an occupation force which totaled about 28,000 earlier this year and of the wartime American Fifth Army of several hundred thousand men.

Peace treaties with four other axis satellite nations went into effect at the same time as the Italian pact. These require the withdrawal of Russian occupation troops from Hungary, Rumania and Bulgaria. Russia, however, may continue to maintain forces of unspecified size in these countries to safeguard lines of communications as long as the failure of the major powers to agree on an Austrian treaty keeps Red Army occupation troops in Austria.

Pope Receives Priest From Phila.

VATICAN CITY, Dec. 13 (AP).—Pope Pius received in special audience today Rev. Joseph Harnett, of Philadelphia, special representative of Catholic War Relief Service in Europe.

Father Harnett is here to confer with Msgr. Andrew Landi, of Italy, representative of the Catholic War Relief Service, about distribution of relief supplies contributed by American Catholics.

U.S. SAYS AID SAVED GREECE

But More Time Is Needed For Recovery, Mission Reports

Athens, Dec. 13 (AP)—The American Mission to Aid Greece told the Greeks today it had saved them from national disaster but said more time is needed to repair the "critical military and economic situation."

The report, the mission's first to the Greek people, said more than $23,000,000 worth of relief supplies and 74,000 tons of military supplies were delivered during the program's first five months. A total of $7,000,000 worth of reconstruction is under way.

The mission's role, the report said, is to "strengthen and advise, not supplant, the Greek Government . . . in which the people have confidence."

Subsistence For Armed Forces

The mission reports in the Rightist press that the armed forces had received insufficient arms to quell the guerrillas.

All subsistence for the armed forces is being furnished by the mission in addition to more than $100,000,000 in equipment, the report said. The Greek Navy is receiving $13,000,000 worth of vessels and supplies, including six new gunboats for $1,350,000 which originally cost ten times that amount.

All phases of the mission's activities were covered, including development of a tax plan to increase Government revenues 600,000,000,000 drachmai ($120,000,000). The plan calls for upward revision of rates on new taxes and more effective collection of existing levies. The mission said the budget will show a deficit of only 7,000,000,000 drachmai ($4,000,000) for the fifteen months ending June 30, 1948, when the mission agreement expires.

"Will Require Unity"

"Battles against the Andartes (guerrillas), against starvation and suffering and against inflation will require unity, continued sacrifices, and tremendous effort on the part of the Greek people," the report said. "Nevertheless, there are many reasons for optimism concerning the eventual success of our common endeavors."

Reconstruction of ports, harbors, roads and communications already is under way but work on the railroads has been delayed by lack of security in damaged areas. Reopening the Corinth Canal at a cost of $1,250,000 was listed as the major single project under way.

Others items mentioned included $2,000,000 allocated for steel and lumber in reconstructing 200,000 houses damaged or destroyed during German occupation; $5,500,000 for irrigation, $4,400,000 to establish processing plants, $1,000,000 allocated tentatively for communications, and $14,300,000 to aid Greek agriculture, which engages more than 60 per cent of the population.

Mrs. Roosevelt Fears Trend In U.S. To Curb Speech

DEC - 1947

Geneva, Dec. 13 (AP)—Mrs. Eleanor Roosevelt said today that the United States is displaying a tendency to "turn to certain repressive measures which would not be necessary if we were completely confident in our ability to make our democracy work."

"It is a fact that we do not at present concentrate our forces on the positive development of our democracy nor assert our confidence in its ability to meet every situation," she told a news conference.

Uncertain About Change

Mrs. Roosevelt, here for sessions of the United Nations Commission on Human Rights, of which she is chairman, was asked to define the dividing line between freedom of speech and subversive activity.

She replied that the traditional American attitude had been to permit "any political opinion which did not advocate the overthrow of the Government by force."

"Whether that is being changed in our country by a new situation, I am not quite sure at present," she added.

Without referring directly to any specific aspect of the United States political situation, Mrs. Roosevelt declared: "It seems to me that where there is not the freedom for the individual to dissent, intellectually, morally and spiritually, from the majority group, then you do not have real freedom, and I do not see how you can progress, since minorities often become majorities."

"Frightened" By Nazis

Minorities should be free to assert their views, she said, "as long as they do so by persuasion rather than by force."

The whole world has been "frightened" by what happened in Nazi Germany, Mrs. Roosevelt declared, adding:

"There is an inclination to suppress . . . and the minute you suppress you acknowledge a weakness.

"For that reason I hope we recognize that something happened in Nazi Germany which grew out of conditions which we must not allow to occur again."

DEC - 1947

HUNGARY PLANNING ALUMINUM EMPIRE

Budapest, Dec. 13 (A. P.).—Finance Minister Miklos Nyaraddy announced last night that the Soviet Union and Hungary would be partners in building up "the biggest aluminum industry of Europe" in Hungary.

He said that up to $30,000,000—transferred by the Hungarian Government—would be invested by the Russians in the enterprise and in the expansion of other industries in which the Russians share ownership.

The money, Nyaraddy said, comes from a settlement he negotiated in Moscow of a Russian claim for all commercial debts by Hungary to Germany at the end of the war. The Russians pressed this claim, although the German trade balance had been heavily in Hungary's favor.

A measure nationalizing Hungary's bauxite mines and aluminum plants is now in the process of enactment, but it will not affect Russia's 50 per cent share in such properties.

Russ-Czech Trade Treaty Seen Forerunner Of Similar Pacts

DEC - 1947

Moscow, Dec. 13 (AP)—Observers in Moscow speculated today that the new five-year trade pact between Russia and Czechoslovakia might be the forerunner of similar treaties throughout Europe, which may ultimately include some "Marshall-plan" countries.

The British announcement yesterday of Soviet-British discussions to begin next May on "long-term" trade arrangements, and the Czech pact, these observers said, are signs of a revolutionary application of Soviet state economic planning to the field of foreign trade. They interpreted these steps as the Russian answer to the Marshall plan.

Signed Two Days Ago

Details of the Czech agreement, signed two days ago, were made public along with announcement of a short-term credit to Czechoslovakia.

An official statement said the total amount of supplies for each country during the period from 1949 to 1952 will amount to 5,000,000,000 Czecholovak kroners ($100,000,000) annually.

In 1948 Czechoslovakia will get food and fodder, cotton, fertilizers, oil products, iron, manganese and chromium ore, pig iron, ferrous alloys and "other raw materials needed by Czech industry."

To Get Oil Piping

Czechoslovakia next year will send to the Soviet Union oil piping, rails, machinery for generating power and general industrial machinery, sugar, textiles, shoes, plate glass, chemicals and "other commodities."

The two governments agreed that they would "endeavor to annually increase" the indicated bulk of exchange commodities.

The statement said the Soviet Union, "taking into consideration the hardships to Czechoslovakia to pay for these commodities to be furnished in 1948," has agreed to grant the Czechoslovak Government a short-term credit. An informed source said the amount of this credit was "substantial."

Scientific Agreements

The two nations also signed agreements on trade and navigation and on scientific and technical collaboration.

Settlement of the "main questions" connected with the projected British-Russian trade pact was seen as giving a green light to western European nations wishing to trade with the Soviet Union, provided they had goods to offer in exchange for Russian grain.

The observers said the Czechoslovak pact emphasized once more the importance of Russia's grain surplus in European affairs. Numerous trade delegations are in Moscow negotiating for Soviet wheat.

Pact With Hungary

Miklos Nyaraddy, Hungarian Finance Minister, announced in Budapest Saturday that Hungary and Russia would be partners in building up "the biggest aluminum industry of Europe" on Hungarian soil.

He said up to $30,000,000—transferred to Russia by the Hungarian Government—would be invested by the Russians in the enterprise and in the expansion of other industries in which the Russians share ownership.

Nyaraddy explained the money comes from a settlement of a Russian claim for all commercial debts owed by Hungary to Germany at the end of the war.

Russia Pressed Claim

Russia pressed this claim, although the German trade debt to Hungary was much larger.

Subsequently the British Foreign Office in London expressed concern over the newly announced Russian-Hungarian agreement for disposition of German assets in Hungary, saying it "apparently" failed to safeguard the interests of citizens of other countries.

A Foreign Office spokesman told a news conference that Britain, under the Potsdam agreement, recognized Russia's claim to Germany's external assets in Hungary, but had formally requested Russia on November 20 to avoid attempting to determine unilaterally just what are the German assets in Hungary.

Czech Minister of Trade Insists on Western Ties

PRAGUE, Dec. 13 (AP).—The Communist press had high praise here today for the new Soviet-Czech trade treaty, but many Czechs did not seem ready to join in any exclusive system of revolutionary state-planning nations.

Dr Hubert Ripka, Czech Minister of Foreign Trade, insisted upon the desirability and necessity of trade relations wiht the West, although nothing along this line was noted in his remarks when he signed the treaty at Moscow.

Foreign Minister Jan Masaryk took up the same them at a news conference two days ago. He said he was still hopeful of concrete aid from Washington where, he

said, he had talked with numerous State Department officials.

Dr. Ripka has pointed out that Russia's trade would be only 16 to 18 per cent of Czechoslovakia's foreign trade, and that terms of the treaty left his country with dollars to spend in other areas.

Mr. Masaryk said the Russian offer of 600,000 tons of bread and feed grains was liberal, but "we will always need more—we need milk and fats, and I don't care where they come from."

Jewish Raiders Slay 21 Arabs

J. Goodwin

JERUSALEM, Dec. 13 (AP).—Jewish warriors striking with bombs and machine guns killed 21 Palestine Arabs—including several women and children—and wounded almost 100 in a series of attacks climaxed tonight by a battle east of Tel Aviv. Three Jews also were killed.

Streets in teeming sections of Jerusalem and Jaffa ran with the blood of Arabs killed and wounded in the bombings.

Arabs throughout Palestine thirsted for revenge as Jewish fighters retained their initiative in the bitter communal fighting for the second straight day. British soldiers and police rushed to action stations to await an expected retaliation blow against the Jews. (Consert)

DEATH LIST GROWS

An Associated Press tabulation showed 223 persons had been killed in the Holy Land in the 14 days of Arab-Jewish fighting since the United Nations General Assembly voted to partition Palestine. The toll for the entire Middle East is 339.

Haganah militiamen, wearing steel helmets and khaki uniforms, stormed the village of Al Yahudiya, in Arab territory east of Tel Aviv, killing seven Arabs and seriously wounding seven others in the latest of a series of incidents today.

A spokesman for Haganah, self-styled Jewish defense army, described the operation as a reprisal attack designed to "wipe out a nest of brigands who attacked Tel Aviv."

Arab sources at the village claimed the Jewish forces used mortars but finally were driven off by the local Arab guard. A house in the village was blown up.

Observers said Irgun Zvai Leumi, Jewish extremist group, was responsible for bombing of an Arab marketplace before Jerusalem's ancient Damascus gate and the blasting of a Jaffa coffeehouse in which 12 Arabs were killed.

FIVE MORE SLAIN

Two Arabs and three Jews were shot to death in Beersheba, traditional burial place of Abraham and Sarah. Police said the Jews fired first. Jews said the Arabs did, attacking a Jewish convoy.

Mrs. Golda Myerson, acting political chairman of the Jewish Agency, termed the Irgun attacks a "stab in the back to Yishuv (Jewish community)."

Arab mobs promptly gathered in the old section of Jerusalem and appeared to be preparing for a riotous march into the modern section of the city after the Damascus gate bombing. Nervous police fired over the heads of the milling Arabs and struggled with leaders of the mobs.

POISED FOR BATTLE

Throughout the old walled city—often called the holiest square mile in the world—Britons, Arabs and Jews peered at each other along the muzzles of their guns.

Some of the opposing gun posts were only a few dozen yards apart. An uneasy peace was maintained in the area largely because each side had sandbagged gun positions commanding the strong points of the other. (AP)

24 More Killed In Palestine Outbreaks

DEC 1947

Jerusalem, Dec. 13 (AP)—Three separate Jewish attacks killed 21 Palestine Arabs and wounded almost 100 today.

J. Goodwin

Jerusalem, Dec. 13 (AP)—Bombs and guns killed fourteen Arabs and three Jews and wounded at least 81 other persons in Palestine battles today, official reports said.

Six Arabs were slain in Jerusalem and six in Jaffa by bombs. Two Arabs and three Jews died in a gun battle at Beersheba in the south.

The Palestine death toll, after fourteen consecutive days of fighting, rose to 215. The toll for the Middle East since the United Nations voted partition was 331.

DAY

Action Stations

All British Army personnel and police were ordered to action stations. The port city of Haifa was quiet after six days of communal conflict, but its all-Jewish section was under curfew until dawn Monday.

Officials said Palestine authorities were taking emergency steps in anticipation of "probable Arab retaliation" for today's attacks.

Most observers believed today's bombings were the work of Irgun Zvai Leumi, Jewish underground organization.

Arabs In Session

Hussein Khalidi, secretary of the Palestine Arab Higher Executive, said it was in constant session and that its members were in frequent telephone communication with Haj Amin el Husseini, the exiled Mufti of Jerusalem, who is in Cairo.

Arab League leaders are meeting with the Mufti there, discussing what Arab informants call "full plans" to recruit an army of Arab volunteers to fight against Zionism.

Unofficial reports told of even more deaths. These reports said six Arabs were believed killed when Jews armed with mortars and automatic weapons attacked the Arab village of Al Yahudiya.

Two anti-personnel bombs were tossed into the teeming Arab market place before Jerusalem's ancient Damascus Gate, killing six Arabs and injuring 41 others.

A bomb tossed from a speeding truck at a coffee house in all-Arab Jaffa killed six more Arabs and injured 40 others.

Jaffa Witnesses

Eyewitnesses at Jaffa said the bomb was thrown from an army truck driven by Jews who entered from the direction of all-Jewish Tel Aviv. The explosive wrecked the coffee house and damaged an Arab taxi company and the Alhambra motion-picture theater.

In Jerusalem's old city police fired machine guns over the heads of the milling Arab crowd after the explosions. Witnesses said the bombs came from two Jewish-operated taxis. The blast damaged two busses. Two of the Jerusalem dead were women.

Briton Assaulted

Outside the old city's gate an Arab mob assaulted a British constable, who was slightly injured, and fired on a uniformed Jewish policeman. British armored cars prowled the area.

With the Holy Land's fighting in its fourteenth consecutive day, the Arab communities counted 99 dead the Jews 107. In addition, six Britons, two Armenians and one Mauritian soldier have been slain. Deaths in all the Middle East have totaled 326.

Police said the taxi from which the bomb was hurled escaped through winding streets after engaging a police car in a gun battle.

Jerusalem district Police Chief George Haddingham said the bomb was thrown right into a big crowd of Arabs waiting for busses and that at least 30 were hauled off to hospitals in police, air force and army trucks and ambulances."

Tension mounted steadily in the Damascus gate area as news spread through the Arab quarters of the attack and dozens of Arabs swarmed to the scene.

Police On Alert

Police remained on the alert as an Arab mob formed in an areaway before the gate and swarmed over heaps of oranges piled high in an open market place near-by.

Arab-owned cars and taxis quickly filled an open parking lot before a low stone entrance to the ancient Solomon's quarries near the Damascus gate and police expressed fear that an Arab rush into the Jewish quarters was forming.

Associated Press Photographer James Pringle, who was at the scene of the explosion, said that angry Arab mobs had gathered in the area and "seem to be rallying for a march" into the modern section of Jerusalem.

"Even the police are scared," Pringle said.

Dead In Street

"The dead and injured are lying in the street and the police are struggling with the mob leaders," Pringle added.

It was reported the license number of the machine from which the bomb was thrown was taken down and the vehicle is being sought.

Almost simultaneously with the explosion a fire broke out in a Jewish typewriter firm and living quarters in midtown Jaffa road, leading to a report that the bomb had exploded in the center of the heavily fortified post office and police headquarters zone.

"Ordinary Fire"

The report was denied officially and a spokesman said the "downtown incident was only an ordinary fire."

The Jewish underground took the offensive yesterday against Arabs from Haifa to Hebron and the underground Irgun Zvai Leumi threatened new attacks against the British if they "continue to interfere and permit Arabs to import arms from abroad."

Old Jerusalem Under Guns Of 3 Factions

DEC - 1947

C. Dario Sett

Jerusalem, Dec. 13 (AP)—Section by section, Jerusalem's old walled city has come under armed occupation by Jews, Arabs or British.

The British have sent Highland Light infantrymen to drive a wedge between the Arab and Jewish quarters. Jews man Bren guns in their areas, in many cases facing Arab gun posts a few dozen yards away in the Arab quarters.

Scottish Highlanders crouch behind sandbagged windows in a requisitioned Jewish house, their Bren guns pointed out over the rooftops. Fifty yards away is another sandbagged window. A lieutenant says that is an outpost of Hagana, the Jewish defense militia. Swinging the sights a bit to the left, the Scotsman brings his gun to bear on still another barricaded window. That is the upstairs window of an Arab house.

DAY

Weapons Under Cover

Hagana's post is atop a synagogue. The sandbagged window, like those of the British post, command a view of the whole southeast section of the Holy City. The visitor can see no guns, but Hagana men say the weapons are out of sight "because the British have been here twice already this morning, trying to find our guns and leave us at the mercy of the Arabs."

From Hagana's vantage point the Arabs' bastion is clearly visible. Beyond it is the gray dome of the Mosque of Omar, third most sacred shrine in all Islam, less revered only than Mecca and Medina.

"We Fired Back"

In the distance are the rising slopes of the Mount of Olives, holy to Christians, a serene sight in the midday sunshine, as it tosses back the echoes of rattling tommyguns and roaring grenades.

A young Jew who commands the synagogue bastion points to Arab houses from which snipers' bullets whined during the past few nights.

"We fired back," he comments dryly.

An attempt to include the Arab bastion in a tour of these posts is met with the reply: "We have nothing to do with Americans, whether journalists or not." But three rooftops away there is visible above a pile of sandbags the desert and village headgear of Arabs. The Arabs face toward the Jewish section.

Nonviolence Policy Urged By Weizmann

New York, Dec. 13 (AP)—A policy of nonviolence and the exercise of "wisdom and care" were recommended yesterday by Dr. Chaim Weizmann, former president of the World Zionist Organization, as a means of averting full-fledged war in Palestine between the Arabs and the Jews.

DAY

Dr. Weizmann, who has been mentioned as a possible first president of the new Jewish state in the Holy Land, said in an interview that in advocating a strict policy of nonaggression he had counseled the Jews to "defend yourselves, but don't retaliate."

The new nation's foremost objective, he said, should be the reestablishment of amicable relations between the Jewish and the British.

ESTIMATE '48 FUND NEEDS FOR JEWRY

Atlantic City, Dec 13 (A. P.).—The needs of world Jewry in 1948 including the setting up of a partitioned State in Palestine and the mobilization of an army there will cost a minimum of $395,367,000 Jewish leaders were told yesterday.

DAY

Most of that unprecedented sum will have to be raised by American Jewry a national conference of 1,500 Jews was told by three agencies operating with funds provided by the United Jewish Appeal. The balance will be sought in the form of bank loans, the agencies said.

The agencies, and their estimated needs, are United Palestine Appeal, $283,156,000; Joint Distribution Committee, $98,547,000, and the United Service for New Americans, $13,664,000.

A U. J. A. spokesman predicted that the conference would approve a budget of not more than $250,000,000. He pointed out that contributions to the 1947 goal of $170,000,000 were $38,000,000 short. He said that although the three agencies are operating with a debt that will total some $65,000,000 by December 31, the money asked for next year will not be used to pay off the debt.

A U. P. A. spokesman said the

DEC - 1947

30.24- 14213

group would use its funds to settle 75,000 European Jews, including 24,000 children, in the new Jewish state in Palestine, while a speaker said the J. D. C. funds would go for relief and rehabilitation work in displaced persons camps, and that the U. S. N. A. would expend its budget assistance to Jewish immigrants to the United States.

Mufti And Syrians Confer In Cairo

Cairo, Dec. 13 (AP)—Han Amin El Husseini, exiled mufti of Jerusalem and bitter foe of the projected partition of Palestine, conferred at the Syrian Legation today with Jamil Mardam Bey, Syrian Prime Minister.

Ahmed Sharabati, Syrian Minister of National Defense, participated in the conference before leaving by plane for Syria, where Arab sources say a "people's army to save Palestine" is being mustered.

Informants said leaders of Arab nations, who have been attending the Arab League "war council" here this week, met with the mufti for six hours last night at the home of Abdel Rahman Azzam Pasha, secretary general of the league.

The same informant said a technical committee composed of senior officials of nearly all the Arab regular armies has been meeting secretly in Cairo regarding military plans to "save Palestine."

FORCES IN CHINA ARE MANEUVERED

Nanking, Dec. 13 (A. P.).—The main body of Gen. Liu Po-cheng's Chinese Communist forces was reported moving westward today, in an apparent attempt to cross the Peiping-Hankow Railroad to avoid a positional battle with strong Government troops.

Heavy Nationalist concentrations were deployed along the rail line northeast of Hankow for an offensive to frustrate Liu's plans for breaking through into western Hupeh province, pro-Government field dispatches said.

Units of Gen. Chen. Keng's Communist forces were reported infiltrating into Hupeh from southern Honan and dispatches said Liu hoped to join these troops.

Earlier reports said 40,000 of Liu's troops were surrounded by Government forces east of the railroad and west of the Ta Pieh Mountains. However, the area in which the Communists were located was said to cover 11,500 square miles, indicating the trap was not too secure.

U.N. Committee To Visit Madoera Tomorrow

Batavia, Java, Dec. 13 (AP)—The United Nations Good Offices Committee will send a team of military and civilian advisers to the island of Madoera Monday for an on-the-spot investigation of differences between the Dutch and the Indonesian Republic.

The Indonesians have complained to the committee that Dutch distribution of food and textiles was carried into the eastern end of the island, beyond the demarcation line for Dutch-held territory, and that this constituted a violation of the United Nations Security Council cease-fire order.

Japanese Village Honors 6 Yanks

WAKAYAMA, Japan, Dec. 13 (AP).—A stone memorial tablet dedicated to six American airmen killed during the war when their plane crashed in the mountains near Yamaji village, Wakayama prefecture, was unveiled by villagers Friday.

Beneath a cross measuring eight feet by three feet is the inscription, in English, "Where Love Is, God Is."

U.S., BRITAIN CLASH ANEW ON NEWS SECRECY

Subcommittees Drafting Details Of ITO Charter Involved In Tilt

Havana, Dec. 13 (AP)—The United States and Great Britain clashed again today over the British proposal for news secrecy in subcommittees where details of the International Trade Organization charter are being worked out.

José López, the Mexican chairman of the subcommittee where the argument occurred, sided with Britain and ordered a censorship of publicity from his group pending a meeting late today of the general committee, where the subject is expected to be decided.

At the opening of today's meeting the British delegate, R. D. McIntosh, brought up a point of order on what was to be done regarding press releases and suggested that nothing be given out until the chairman approved.

Not Recognized

United States Delegate Robert Terrill twice moved that the United Nations press reporter, Mildred Mason, who is covering the session, be allowed to explain her position but the chairman did not recognize him. Terrill then said:

"The position of the United States Government is that United Nations press officers should issue releases of subcommittee meeting."

Following the chairman's ruling, Matthew Gordon, chief of the press staff, directed Miss Mason to leave the hearing.

Rules Cited

Rules of procedure previously adopted by the conference say, "subcommittee meetings shall be held in secret" and at the close of meetings, the subcommittee chairman "with concurrence of the body concerned may issue a communiqué to the press through the executive secretary" of the conference.

Thus far United Nations staff reporters have been allowed to attend subcommittees and brief the general press later. Procedure rules do not mention this practice or anything concerning releases by the United Nations press staff.

25 Hurt In Panama Protest Clashes

Panama City, Dec. 13 (AP)—Santo Tomas Dispensary reported today that 25 persons had been treated for injuries suffered in a street skirmish yesterday between police and university students protesting a new agreement to lease Panama Canal defense bases to the United States.

Bystanders said that during the battle, which centered in the downtown section of Central avenue, police used guns, sabers and tear gas, while some students carried sticks and threw bricks.

The disorders broke out as the students marched along the avenue toward the Palace of Justice, where the Assembly was deliberating the bases agreement, signed Monday. Some students broke through the police cordon and entered the gallery of the Assembly chamber where two shouted that police were attacking them.

CANADIANS DEBATE CONTROL OF PRICES

Consumer Group Pressure Withstood By Government

Ottawa, Dec. 13 (AP)—A steady upward march in Canada's cost of living brought increased pressure today from consumer groups for parliamentary intervention, but the Government held to its chosen course of avoiding any general reimposition of price controls.

A delegation of more than 75 householders from Montreal, Toronto, and eastern Canadian cities called on Douglas Abbott, Finance Minister.

They told him they wanted prices rolled back to the pre-1945 level, general restoration of price controls, and reinstitution of subsidies on flour, milk and fuel. They asked reimposition of the excess-profits tax and establishment of a peacetime price-control board with consumer, labor and farmer representation "to protect the public against huge food and other companies which are making exorbitant profits through high prices."

"Managed To Dodge"

Mrs. E. Leigh, spokesman for the group, said Abbott "managed to dodge answering every question."

Abbott has stated that the Government does not intend to return to a system of general price control.

At the outset of the current session of Parliament, however, the Government said it would "keep under constant supervision conditions of production and supply which tend to raise the level of prices."

It has acted in specific cases to recontrol fruit and vegetable prices where sharp rises occurred.

Extension Of Powers Debated

In Parliament debate has centered about extension until March 31, 1948, of emengency powers of Government to impose and enforce price and other controls as required.

An attempt by the socialistic Co-operative Commonwealth Federation party to have emergency powers extended to December 31, 1948, instead of March lost, 129 to 24, when the Progressive Conservatives joined with the Government Liberals.

The Canadian Congress of Labor declared its survey of Parliament indicated the average member is "convinced that prompt action must be taken to curb rising prices, but he is hesitant to oppose the policy of the party to which he belongs."

GOP Senators Reach Accord Over Prices

Washington, Dec. 13 (AP)—Republican senators agreed today on a ten-point anti-inflation program aimed at curbing the cost of living through voluntary action combined with some Government controls.

Chairman Millikin (R., Col.) of the Republican Senate conference withheld details of the program until Senator Taft, of Ohio, can complete redrafting a statement agreed upon at a four-hour session of all the GOP senators.

The statement was said to call for the speedy enactment by Congress of legislation setting up procedure for agreements by business and agricultural interests to parcel out scarce cost of living items.

Unanimous Approval

It was reported to contain several of the proposals laid down in President Truman's ten-point program submitted at the opening of the special session of Congress, such as export controls.

Millikin said the statement, which Taft promised to have ready later in the day, was approved "unanimously, so far as I could see," by the more than 35 Republican Senators present.

Taft explained that the statement, as revised, will be sent over for action by House Republicans. He expressed hope the House members can agree on it and thus make it a general Republican program.

Change In Theory

Millikin said the conference made "some change in theory and many changes in language" in a previous statement drafted for its consideration by the Senate Republican Policy Committee, which Taft heads.

Taft showed reporters a typewritten copy on which changes had been inked in on nearly every line, but refused to let them read it.

"Most of the four hours of this conference were spent in drafting language expressing the Republican view and it must be presented in exactly that language," the Ohio senator said in declining to summarize the statement.

Action In House

Prior to the Senate Republican group's action, the House Banking Committee took action in a separate report. It said it has not closed the door on the President's anti-inflation program but it contended some of his proposals might lead to "distortions" and "diversions."

The committee said the President himself feared a year ago that selective price controls might lead to these things.

The group filed with the House a formal report approving a GOP substitute for Mr. Truman's plan, centering around permission for business to make agreements to cut prices without violating the anti-trust laws.

The Republican measure is slated for House consideration Monday.

To Continue Study

In its report to the House, the Banking Committee said it "has endeavored to comply with that part of the President's program which it believes can safely be put into effect immediately."

"The committe expects," it said, "to continue to study the whole program and to explore its potential consequences in the next regular session of the Congress."

The committee said no Administration witnesses have been able to tell how the stand-by controls asked by Mr. Truman would operate until voluntary efforts had been tried, so it "became clear" that no action is necessary on them at the special session.

Truman Quoted

The report quoted President Truman as saying November 9, 1946:

"The price administrator has advised me that, with so much of the

economy freed from price controls, clinging to the rest would, in his judgment, lead to distortions in production and diversion of goods to an extent far outweighing any benefit that could be achieved."

The report said:

"The fear of the committee has been that the imposition of selective price controls at this time might bring about precisely those 'distortions' and that 'diversion' which the President feared a year ago.

Divert Production

"On its face, an attempt at selective price control might diminish the production of precisely the goods that are in short supply, and might tend to divert production to less scarce and less essential goods that are not controlled."

The committee further quoted Mr. Truman as saying on October 14, 1946, that "price control and wage control are largely dependent upon each other."

"It follows from this," the committee said, "that selective price control would have to be accompanied by selective wage control.

Questions Raised

"But if the price of steel, for example, were held down while the prices of other commodities were permitted to rise, could the Government hold down wages in the steel industry while allowing wages in other industries to go up? What would be the response of the steel labor unions to such a proposal?

"Would there, in fact, be any way to impose selective price controls that would not lead to a demand for return to over-all price and wage controls in order to prevent the 'distortions' and 'diversion' that an attempt at selective price control would bring about?"

High-Price Factors

The report attributed high prices to two basic factors:

1. Prevailing money and credit policies.

2. The unusually large foreign demand for scarce American goods.

Consistent with this appraisal, the committee said, its bill calls for continuing export controls as requested by the President. These controls expire February 29 unless Congress acts.

The committee said Mr. Truman ought to use these controls so as to "adjust exports to domestic stability."

Gold-Reserve Policy

The committee said that in response to Mr. Truman's bid for authority to restrain the creation of inflationary bank credit, it has proposed an increase of gold-reserve requirements against Federal Reserve bank deposits and against currency issued by the Reserve banks.

The report said this should indicate:

1. That it is Government's policy to prevent, as far as possible, higher prices incident to the expansion of bank credit.

2. A change from present easy money and credit policies to a policy under which there will be a gradual decrease in the volume and velocity of money and credit in restraint of further inflationary pressures from this course.

But it is to be expected, the report added, that the Government and Federal Reserve Board will take additional action along administrative lines to help stabilize price and obtain a "sound economy."

Republican Statement of Policy on Cost of Living

By The Associated Press.

WASHINGTON, Dec. 13—The text of a Senate Republican Policy Committee statement, approved by the Republican conference, on a cost of living program follows:

We are deeply concerned over the steadily rising prices. Already these prices impose great hardship and suffering on many families. We are equally concerned because so many individuals and groups are seeking excessive gains. If the spiral continues the ultimate adjustment may be drastic, threatening a serious depression. We must adopt immediately policies which will stabilize prices, and encourage the raising of lower incomes up to the new price level.

Many committees of Congress under Republican leadership have been studying the causes of rising prices and the sound methods of preventing further increase. In particular, three subcommittees of the Joint Committee on the Economic Report have held hearings in the East, Middle West and Far West, and all committees have been meeting steadily since our return three weeks ago.

The present condition, while growing out of the second World War, has assumed dangerous proportions because of the policies of the Administration which has controlled this Government for the past fifteen years—the policy of first restricting production, of devaluing the dollar, of deficit spending, of exporting unnecessarily goods essential for our own economy, and now of tremendous Government expense and corresponding taxation reflected in the price of every product bought by 40,000,000 families. The Administration now seeks to impose controls on the effects of inflation while it continues to encourage the conditions which cause inflation.

Production Rise Stressed

We believe that the sound approach is to strike at the fundamental causes of inflation rather than permit these causes to go on operating and then vainly attempt to prevent the inevitable results by arbitrary bureaucratic controls. Such controls have failed in time of peace to remedy the causes of inflation wherever they have been tried. Furthermore, the primary solution is to increase production and, since this is a slow process, to curtail unnecessary spending in the meantime, particularly that brought about by credit expansion for non-productive purposes.

The program on which our committees are now working may be stated in general terms as follows:

1. Encourage the increase of production as rapidly as feasible.

2. Eliminate nonessential Government expenses; and reduce debt and taxes.

3. Restrict exports, particularly to countries which have not suffered the devastation of war. This means an extension of the Export Control Act for another year. Legal power to restrict exports has existed for the past year, but deliberate Administration policy has permitted practically unlimited export, so that $10,000,000,000 of goods and services have left this country without any corresponding imports. This is one of the principal causes of the rise in prices. Most of these exports have gone to countries outside of Europe.

Bank Credit Action Urged

4. Discourage further increase of bank credit for non-productive uses. The Administration has failed to use effectively the power which it has had to restrain bank credit. The Administration's representatives are in disagreement today as to the method of carrying out the President's recommendation. We must not act without the most careful consideration, particularly since it affects the proper management of our huge national debt. Our committees are still studying this problem and will report at the regular session.

5. Discourage undue increase of consumer credit.

6. Support a voluntary program to eliminate waste in the use of grain and food.

7. Support a general program to encourage all those in a position to do so to save more.

8. Authorize the President to enter into temporary voluntary agreements with industries to limit inventories and authorize priorities, so as to remove bottlenecks in the production of vital commodities. If it appears that voluntary controls are inadequate to meet specific problems, we will consider the granting of authority to meet such particular problems.

9. Extend rent control for another year, making such adjustments as are required to give just treatment to tenants and owners alike.

10. Give authority to the extent necessary to prevent improper and excessive speculation on commodity exchanges.

Legislative Program Outlined

Under the foregoing program, we shall attempt at this special session to pass the following legislation:

1. A bill (A) extending for another year the export control power; (B) extending for another year the control of transportation; (C) to permit temporary voluntary agreements on inventories and priorities.

2. An appropriation bill to provide funds where necessary to carry out recommended programs.

The definite working out of the foregoing program will be done by the committees of Congress which have initiated it under Republican leadership; and specific legislation dealing with phases of the general program which it has not been possible to study completely will be considered at the regular session.

The present Administration has failed to stimulate the initiative and other elements of individual freedom which have made our country the strongest, our people the happiest and freest on the face of the earth. We intend to do our best to give those principles of freedom another chance to operate for the greater benefit of all, with only such restraints as the Government must impose to make them operate wisely.

General Statement of House Banking Committee Approving Republican Anti-Inflation Bill

By The Associated Press.

WASHINGTON, Dec. 13—Text of the general statement by the House Banking Committee in its report to the House approving a Republican-sponsored anti-inflation bill:

The Committee on Banking and Currency, to whom was referred the joint resolution (H. J. Res. 273) to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the joint resolution as amended do pass.

At the opening of the special session on Nov. 17, 1947, the President addressed the Congress and made certain recommendations incident to a program to curb inflation in the United States (H. Doc. 430, 80th Cong., 1st Sess.). The Committee on Banking and Currency held hearings on the anti-inflation program.

Appearing as witnesses were Hon. John W. Snyder, Secretary of the Treasury, Hon. Clinton P. Anderson, Secretary of Agriculture, Hon. William Averell Harriman, Secretary of Commerce, Hon. Lewis B. Schwellenbach, Secretary of Labor, Hon. Marriner S. Eccles, chairman of the Board of Governors of the Federal Reserve System, Hon. Oscar L. Chapman, Acting Secretary of the Interior, and Mr. J. M. Mehl, Administrator, Commodity Exchange Authority.

The President recommended a 10-point program. There were some of these points which suggested legislation not primarily within the jurisdiction of the Committee on Banking and Currency. The committee gave consideration, however, to the whole program. It was necessary to do so in our attempts to get a full understanding not only of the purposes but the manner in which the objectives could be accomplished.

Controls Asked By Truman

The President in his message asked, among other things, for the following categories of controls. In the first category he asked for authority—

(1) Provide for allocation of transportation facilities and equipment.

(2) Provide for the marketing of livestock and poultry at weights and grades that represent the most efficient utilization of grain.

(3) Provide for allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production.

(4) Provide for regulation of speculative trading on commodity exchanges.

In the second category the President asked for authority to restore consumer credit controls and restrain the creation of inflationary bank credit, to extend and strengthen export controls, to extend and strengthen rent control, to authorize consumer rationing on products in short supply which basically affect the cost of living and to authorize price ceilings on products in short supply which basically affect the cost of living or industrial production and to authorize such wage ceilings as are essential to maintain the necessary price ceilings.

As the committee understands the President's program, it is planned to put into operation voluntary agreements with respect to the requested authority contained in the first category. The testimony indicated that the program could be divided into three phases: (1) voluntary controls, (2) statutory controls over priorities and allocations, and (3) price and wage controls.

The testimony was to the effect that it was not expected to put into effect statutory controls until the voluntary program had been given a fair chance to accomplish its purposes and that price and wage controls would not be put into effect until and unless the voluntary program failed and it was found impossible to effectuate the purposes of the program by statutory allocation and priority controls. It was thought advisable to consult with representatives of industry, busi-

30.24- 14215

ness and agriculture with a view to encouraging voluntary agreements.

Administration witnesses were unable to give the committee explicit information as to how statutory controls might be applied and it became obvious that the Administration would not be in a position to inform the Congress as to how statutory controls would be applied until the voluntary program had had an opportunity to function. It became clear that no action would have to be taken at this special session of Congress regarding statutory controls.

"Purely Voluntary" at Start

The authority to enter into voluntary agreements contained in Section 2 of the joint resolution is to enable the Administration to get the program started. It should be definitely understood that this part of the program is purely voluntary. No representatives of industry, business, and agriculture would be compelled to consult with the President. Neither would they be compelled after consultation to enter into any agreement.

To encourage consultations and agreements which might be an aid in the stabilization effort, the joint resolution provides that the parties to any such agreement approved by the President or whomsoever he might designate shall be relieved from the operation of the antitrust laws and all other restraints, limitations and prohibitions of law with respect to the making of such agreements.

It is distinctly understood, and the joint resolution provides, that the agreements entered into shall not be binding industry-wide but shall be effective only against the parties to the agreement. Likewise, the President or anyone whom he might designate to act in his behalf is not obligated to approve any agreement.

In respect to the second category of the President's proposals, the committee thought many of them might not be required if the voluntary program was a success. Others were dependent upon the solution of problems incident to broad, basic, very important changes in the Governmental monetary and fiscal policies.

Obviously it was impracticable to try to cover them in the short period between now and the adjournment of the special session. The committee felt, however, that in respect to the proposals in the first category which constitute the first phase of the President's program, that it was advisable to enact them at this special session. In these respects the committee has endeavored to comply with that part of the President's program which it believes can safely be put into effect immediately.

The committee expects to continue to study the whole program and to explore its potential consequences in the next regular session of the Congress. From the testimony offered so far, however, the committee does not consider it advisable at this time to reverse the judgment of the President in his statement of Nov. 9, 1946, that—

"The general control over prices and wages is justifiable only so long as it is an effective instrument against inflation. I am convinced that the time has come when these controls can serve no useful purpose. I am, indeed, convinced that their further continuance would do the nation's economy more harm than good. . . . In short, the law of supply and demand operating in the market place will, from now on, serve the people better than would continued regulation of prices by the Government."

It is true that the President is asking at this time not for overall but for selective price controls. Here again, however, the testimony so far offered has not seemed to justify action by the Congress contrary to the judgment of the President and of the Price Administrator as expressed on Nov. 9, 1946. The President then declared:

"The Price Administrator has advised me that, with so much of the economy freed from price controls, clinging to the rest would, in his judgment, lead to distortions in production and diversion of goods to an extent far outweighing any benefit that could be achieved."

The fear of the committee has been that the imposition of selective price controls at this time might bring about precisely those "distortions" and that "diversion" which the President feared a year ago. On its face, an attempt at selective price control might diminish the production of precisely the goods that are in short supply, and might tend to divert production to less scarce and less essential goods that are not controlled.

Moreover, the President pointed out in his radio address of Oct. 14, 1946, that "price control and wage control are largely dependent upon each other." It follows from this that selective price control would have to be accompanied by selective wage control.

But if the price of steel, for example, were held down while the prices of other commodities were permitted to rise, could the Government hold down wages in the steel industry while allowing wages in other industries to go up? What would be the response of the steel labor unions to such a proposal?

Would there, in fact, be any way to impose selective price controls that would not lead to a demand for return to over-all price and wage controls in order to prevent the "distortions" and "diversion" that an attempt at selective price control would bring about?

The committee does not intend definitely at this time to foreclose further consideration of these questions. It expects to make a further and more detailed study of the President's proposals at the next regular session, if more specific information can then be made available to the committee.

"Reasons for High Prices"

The committee believed there are two basic reasons for domestic high prices. First, Prevailing money and credit policies, and second, the unusually large foreign demand for American goods in short supply. Consistent with this view, the committee provides in the joint resolution for the continuance of export controls. It is their belief that these controls should be exercised by the President in such a manner as to adjust exports to domestic stability.

Concerning money and credit policies, the President asked for authority to restrain the creation of inflationary bank credit. Accordingly, the committee has provided for the increase of gold reserve requirements against Federal Reserve Bank deposits and against currency issued by the Fedarl Reserve Banks.

This should indicate that it is the policy of the Government to prevent, as far as possible, higher prices incident to the expansion of bank credit. It should indicate a change from present easy money and credit policies to a policy under which there would be a gradual decrease in the volume and velocity of money and credit in restraint of further inflationary pressures from this source.

In consequence of this it is to be expected that the Government and the Federal Reserve Board will take such other action in conformity with their administrative responsibilities as may be necessary to aid in stabilizing prices and to otherwise effectuate steps toward a sound economy.

STASSEN SAYS PAULEY WITHHELD TRADE DATA

WASHINGTON, Dec. 13 (AP)—Harold E. Stassen declared tonight that Edwin W. Pauley, special assistant to Kenneth C. Royall, Secretary of the Army, had not made full disclosure of his grain dealings under investigation by the Senate Appropriations Committee.

Mr. Stassen said in a statement that he planned to confer Monday with Senator Styles Bridges, Republican, of New Hampshire, chairman of the group, and House Majority Leader Charles A. Halleck regarding plans for a "thorough investigation of the food profiteering by insiders in the national administration, of the purchasing practices of the Government and of the effect of both on our 'too high' food prices."

Mr. Stassen declared that he had been informed that "the insiders have been getting out of the commodity markets since my Doylestown, Pa., address" and that "prices are dropping and if the Government itself stays out of the market this week the prices will remain lower."

He said further that "Mr. Pauley's statement that he does not consider these dealings to be subject to censure indicates in my opinion that his sense of right and wrong is not fully developed and he should not be in high public office."

Full-Scale Probe Of Grain Deals Being Studied

Washington, Dec. 13 (AP)—The Senate Appropriations Committee today promised an early decision on whether to touch off a full-scale investigation of commodity-market speculation by Government officials.

The group has decided in any case that it wishes to hear further from Edwin W. Pauley, special assistant to the Secretary of the Army, who already has disclosed himself as a speculator in the million-dollar class. The date of the next appearance by Pauley, a former Democratic national treasurer, has yet to be fixed.

Chairman Bridges (R., N.H.) said the decision whether to expand the inquiry will be made after the committee examines reports from the heads of five Government departments on whether any of their personnel are using inside knowledge to profit in the grain markets.

Departments Checking

Bridges said this probably will be done early next week, since the committee has been advised that checks are under way in the State, Treasury and Agriculture departments. The committee has asked for similar information from the Departments of Commerce and National Defense.

Pauley told the committee yesterday that there was "no impropriety" in his trading in commodities.

He agreed to come back later with a record of all his commodity transactions during the period he has been in the Government service. He told the senators his holdings when he came to the Department of the Army were something under $1,000,000.

Committee Too Busy

"If the indications are that a thorough investigation should be made," Bridges said, "certainly this committee isn't going to do it. We are going to be too busy after the first of the year to spend a couple of months on this."

In addition to the reports from the Government departments, Bridges continued, his committee wants to look into:

1. The sources of information imparted to others by those "in the know," which we haven't inquired about.

2. A list of large grain traders which the committee has heard is in the hands of Secretary of Agriculture Anderson and the Commodity Exchange Authority.

Law Restricts List

Senator Ferguson (R., Mich.) said J. M. Mehl, administrator of the authority, told him the law forbids forwarding the list to Congress.

Ferguson insisted the compilation of traders buying more than 200,000 bushels of grain on one market was made specifically for the information of Congress.

Bridges said he agrees with Ferguson, and that the committee is going to take it up with Anderson himself.

Rejects Probe Suggestion

The committee chairman said he sees no need for an inquiry into possible speculation by members of Congress or the judiciary as suggested by Pauley and his boss, Secretary of the Army Royall.

Members of Congress are directly responsible to the people, Bridges said, and must stand for election periodically while Government officials are answerable only to Congress. Besides, he added, there are "other avenues" by which such charges against Congressmen can be explored. He did not say what they were.

Discussing his commodity trading yesterday, Pauley said he held stocks of corn, oats, cottonseed oil, lard and hides. He added:

"I dealt in everything I could make a profit in, in the good old American way."

Denies Having Information

But he denied flatly that he has had access to any information as an official of the Department of the Army, or earlier as Mr. Truman's special reparations representative, which might have guided his speculations.

Pauley estimated he held about 500,000 bushels of commodities when he took the job under Royall and that he has disposed of all except 50,000 bushels, which he said he bought as a bonus for a number of employés.

Pauley disclosed that before entering the Army Department he had talked over with Senator Taft, of Ohio, chairman of the GOP Policy Committee, his chances of being confirmed for a permanent Government post as Assistant Secretary of the Army.

Rejected By Committee

Taft said the committee turned thumbs down, as it did early in 1946 after Pauley was nominated for Under Secretary of the Navy.

That nomination was withdrawn by President Truman at Pauley's request, but not before a row which resulted in the resignation of Harold L. Ickes as Secretary of the Interior.

The special assistant job which Pauley now holds does not require Senate confirmation.

Grain-Rationing Plan Offered Distilleries

Washington, Dec. 13 (AP)—The Cabinet Food Committee today recommended that the whisky distilling industry ration itself to 2,500,000 bushels of grain a month and forego the use of wheat when the distillery holiday ends December 24.

In a letter to distillers, Secretary of Agriculture Anderson, chairman of the Cabinet body, proposed that

the new plan be carried out "during the next six months and so long thereafter as the need for grain conservation continues."

The proposed grain consumption compares with a usage of 8,000,000 bushels in October, immediately prior to the nation-wide shutdown, and an average of 5,000,000 bushels monthly in the twelve months which ended last June 30.

"Equitable And Fair"

The whisky-making holiday is a 60-day period agreed to in connection with the campaign to conserve grain to make more available for food abroad.

Anderson proposed a grain allocation for each plant, which he said was based on the capacity and past consumption record of every distiller.

"We hope you will reach the conclusion," he wrote, "that it is an equitable and fair amount not only in view of the national welfare but also in terms of the inter-relationship of your company and plants to the entire distilling industry."

Distillers To Meet

The Secretary asked distillers to meet in Washington next Wednesday to consider the proposal.

At a recent meeting of the distillers' co-ordinating committee, an industry group created to police the 60-day shutdown, industry spokesmen reported themselves able to reach firm agreement on a continued conservation plan. They asked the Cabinet group, composed of Anderson, Secretary of State Marshall and Secretary of Commerce Harriman, to draft recommendations for the industry's perusal.

MRS. DOUGLAS TO OFFER TAX CUT MEASURE

Her Bill Plays 'In Hearts Instead Of Diamonds,' Representative Says

Washington, Dec. 13 (AP)—A tax-reduction move, "played in hearts instead of diamonds," was proposed today by Representative Douglas (D., Cal.), with emphasis on the tax relief for lower income groups.

Her proposal: A flat $100 income-tax cut for each taxpayer and each dependent.

Mrs. Douglas said she will introduce her bill in the House Monday. She described it as the first tax bill guaranteeing "the same reduction in income tax to every individual taxpayer regardless of the amount of his income."

A single taxpayer's obligation would be reduced by $100 a year. If the taxpayer had a wife and three children he would owe $500 less.

$5,000,000,000 Cut

Mrs. Douglas estimated that her measure would cut Federal tax revenue more than $5,000,000,000 a year, but she figured this and more could be made up by re-enacting the wartime excess-profits tax on corporations.

Her bill also would repeal the present excise tax on transportation and telephone and telegraph service which she said "discriminates" against western consumers and producers.

Mrs. Douglas voiced her proposals in the wake of reported Republican tax plans to slash personal income levies by $5,250,000,000 when Congress returns in January.

Representative Knutson (R., Minn.), chairman of the tax-framing House Ways and Means Committee, was said to be the prime mover in the new GOP program, whose main feature was a reported proposal to boost personal tax exemptions from the present $500 to $600.

"Let's Play It In Hearts"

The GOP measure would remove some 6,000,000 low-income earners from the tax rolls and give some relief to others of the nation's 48,500,000 taxpayers.

President Truman has already vetoed two Republican tax-slashing bills this year, declaring they would increase inflationary pressures.

Mrs. Douglas said that Knutson talks in terms of stimulating management incentive and investment capital.

"I talk in terms of bread and milk and shoes and keeping the consumer in the buying market," she said in a statement.

"Mr. Knutson wants to play this tax reduction game in diamonds. I say, let's play it in hearts."

5-Billion Tax Cut Bill Due At End Of Session

Washington, Dec. 13 (AP)—Chairman Knutson (R., Minn.) of the House Ways and Means Committee said today he will introduce on the last day of the special session a bill to cut income taxes by perhaps $5,000,000,000 a year.

This will place the measure in position for early action when Congress meets again in January.

For the first time since the tug of war with the Democrats over tax reduction began early this year, Republicans may call for increased personal exemptions as well as percentage slashes in various brackets.

GOP Committeemen Agree

This tentative agreement was reached during a closed-door meeting of Republican members of the committee late yesterday. Knutson said they have yet to put a final draft on paper.

The proposed cuts were reported to be as follows:

1. Increase personal exemptions from the present $500 to $600, thus cutting 6,000,000 low-income earners off the tax rolls as well as giving the other 42,500,000 taxpayers a reduction. Estimated cost to Treasury, $1,900,000,000.

2. General application of the community-tax principle under which husbands and wives in some states are permitted to divide their incomes for tax purposes. Cost in revenue, $600,000,000.

3. Percentage cuts—30 per cent on taxable incomes up to $1,000; twenty per cent on taxable incomes in the $1,000-$4,000 bracket; ten per cent on taxable incomes over $4,000. Revenue loss, $2,400,000,000.

Called "Wall Street Idea"

Representative Dingell, of Michigan, a Democratic member of the committee, snorted that the GOP proposal "is a typical Wall Street idea" which would give the biggest cuts to the wealthy and do too little to ease the cost of living for the poor.

"Butter is now selling at $1.05 a pound in some places," Dingell told a reporter. "I'm tired of this holdup of the people by the dairy lobby."

DUTIES ON IMPORTS RAISED BY MEXICO

Higher Rates on U. S. Products Conceded Pending Revision of Reciprocal Trade Pact

WASHINGTON, Dec. 13 (AP)—Mexico, in a new effort to cope with a dollar shortage, has ordered a tariff revision on imports largely raising rates on shipments from the United States to 1942 levels, the State Department said today.

The United States agreed to the action, effective Dec. 20, pending negotiations to revise the 1942 reciprocal trade agreement to "afford a more reasonable measure of protection for Mexican industries."

The department said that the new tariff order, to be published Monday, would change specific duty rates on products imported into Mexico named in Schedule 1 of the trade agreement.

Officials said that Schedule 1 covers all imports into Mexico and that the shift from specific rates to duties based on value would give Mexico greater revenue because of price increases in the last five years.

The action followed Mexico's embargo last July on imports of many products, including automobiles and many luxury items.

Mexico has assured that existing duties will be applied to all shipments actually en route from the United States on Monday, the announcement said.

Thus present duties will apply on shipments in transit as of this Monday, even though the goods do not reach Mexico before Dec. 20, when the new tariffs go into effect. Shippers will have five days notice, from Monday to next Saturday.

Negotiations to revise the trade agreement are scheduled to start immediately following completion of the United Nations trade and unemployment conference in session at Havana. They are expected to cover only Mexican imports of United States products.

RIZLEY TO PRESS INQUIRY OF WAA

Washington, Dec. 13 (A. P.).—A House committee, whose chairman says three officials of the War Assets Administration should be "fired" for their relations with a sales agent, decided today to renew in January an inquiry into WAA handling of surplus aircraft and parts.

Chairman Rizley (R.-Okla.) of the Surplus Property Investigating Committee made his remark to James A. Mollison, John M. Carey and Herschel B. Benedict yesterday after hearing that a WAA sales agent obtained automobiles for them.

"The agency contract should be canceled and all of you should be fired out of WAA at once," Rizley told them.

Mollison is associate administrator of the WAA, Carey deputy administrator of the Office of Aircraft and Electronics Disposal, and Benedict associate deputy administrator of Carey's branch.

All three denied any wrongdoing as they told of how A. I. Lodwick, head of Lodwick Aircraft Industries, Inc. of Lakeland, Fla., helped them with their transportation difficulties. The Lodwick firm is a Surplus Aircraft component parts sales agent for WAA.

NIMITZ READY TO RELINQUISH HIS NAVY POST

Admiral Calls At White House To Bid Good-By To Truman

Washington, Dec. 13 (AP)—One of the legendary figures of the modern Navy, Fleet Admiral Chester W. Nimitz, will hand over the Navy's top job to his successor on Monday and step to the sidelines. He will be an adviser to the Secretary of the Navy from his home on the West Coast, while Admiral Louis E. Denfeld sits in the chair of the chief of naval operations.

Nimitz visited the White House today to say goodby to President Truman. Shaking hands with everyone in the White House, he displayed a silver cigarette case given him by his associates. It bore the names of Mr. Truman and several other officials.

The personal hero of thousands of enlisted men, the 62-year-old wartime Pacific commander evoked almost violent loyalty from sailors who pitched horseshoes with him, shared his breakfast, and swapped Texan reminiscences.

Signed Surrender Terms

Taking over the Pacific Fleet immediately after the Japanese attack on Pearl Harbor, he directed the painful buildup of naval strength and crashing victories that smashed the Japanese dream of conquest. Nimitz, calm and content, signed the surrender terms in the name of the United States, aboard the battleship Missouri in Tokyo Bay.

Born in Fredericksburg, Texas, Nimitz wanted to be a soldier, but finding West Point jammed, he joined the Navy. He graduated seventh in a class of 114 in 1905 and a few years later started a long career in submarines.

He never lost his love of "pig boats" and has predicted that the capital ship of tomorrow's Navy may be a fast submarine firing rockets with atomic warheads from below the surface.

Stayed Near Front

The intensive use of American submarines—with their phenomenal record of war success—is attributed to his knowledge and ability with the undersea arm.

The Nimitz that his men remember, though, is the snowy-haired quiet man who seemed to spend most of his time inspecting the forward fighting areas, and set up headquarters on Guam while snipers' bullets were still whining through the air: It was there that he adopted shorts as his official garb, bringing that welcome hot weather costume to officers sweltering in tropic heat.

Sailors Seek Shells

The word trickled out that he collected seashells for one of his daughters (he has three girls, one son) and the beaches of the Pacific got a going-over from devout sailors of all ranks.

A crackerjack horseshoe pitcher, Nimitz would take on—and beat—any officer or enlisted man who challenged him.

The stories about his calm, his kindliness of heart are legion. Probably his most outstanding characteristic as a leader, his intimates say, was his ability to smooth out differences among his commanders, to weld a fighting team of sharply different personalities.

When he came back from the Pacific for a two-year term as chief of naval operations, he was met by tumultuous receptions and wildly cheering crowds from coast to coast.

Embarrassed By Acclaim

The nation's acclaim embarrassed him and he repeatedly credited the Pacific victory to the millions of war workers and the fighting men.

Though elevated to the Navy's top post, he never changed. An

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enlisted man on duty at an early hour around Nimitz's house was offered breakfast. He started for the kitchen, but Nimitz sat him down at his own table, and the five-starred chief of naval operations and the man from the ranks ate their scrambled eggs together.

Mikolajczyk Entertained At Congress Breakfast

WASHINGTON, Dec. 13 (AP).—Stanislaw Mikolajczyk, Peasant party leader who fled Poland, heard Speaker Joseph W. Martin jr., Republican, of Massachusetts, say today, "one of the big tragedies of the war is that the people of Poland are not permitted to enjoy constitutional government and real democracy."

Mr. Mikolajczyk, Speaker Martin and a dozen members of Congress were guests of Representative Antoni N. Sadlack, Republican, of Connecticut, at a breakfast at the Capital.

Speaker Martin told reporters he informed the Polish Peasant leader that the American people are sympathetic with his country.

Representative Sadlack said he called Mr. Mikolajczyk "the living hope of the people of Poland, who fervently seek freedom."

Mr. Mikolajczyk said he enjoyed Speaker Martin's remarks especially, because: "I was not so friendly with my speaker. He crossed out three-quarters of my speech. So I said I was glad to be here where freedom of speech exists."

High Prices and 1948 Hopefuls Lampooned at Gridiron Dinner

'Miss OPA,' Democratic Election Worries and the European Recovery Program Also Satirized Before Truman and 500 Other Club Guests

WASHINGTON, Dec. 13 (AP).—President Truman and 500 other dinner guests of the Gridiron Club tonight watched members of the club poke fun in song and sketch at high prices, a flock of Republican Presidential candidates and the European recovery program.

The ghost of the Office of Price Administration and Democratic worries over next year's elections also were satirically portrayed at the winter dinner-show of the Washington newspaper men's organization at the Statler Hotel. A headlined act showed Republican Presidential candidates in great fear of General of the Army Dwight D. Eisenhower as a potential nominee.

Besides Mr. Truman, Presidential possibilities who attended the dinner were Governor Thomas E. Dewey, Harold E. Stassen, Senator Robert A. Taft, Senator Arthur H. Vandenberg, Republican, of Michigan, and Speaker Joseph W. Martin jr., Republican, of Massachusetts. Gridiron Club spokesmen said the Vice-Presidential possibilities attending were "too numerous to mention."

In connection with the coming battles for the Presidential nominations, candidates depicted in the Gridiron show were scared of General Eisenhower. The "General," however, refused to reveal his own attitude toward a nomination. To the melody of "Kiss Me Again," he sang in part—

"But it's too soon.
Some time next June,
Ask me, ask me again,
Ask me again,
Ask me, ask me again."

Another sketch satirized President Truman's recent references to the "police state." A police inspector unveiled "Miss OPA—Queen of the Police State," who was chosen by Leon Henderson, Prentis Brown, Chester Bowles and Paul Porter, all former O. P. A. chiefs. Clad in a gay nineties bathing suit, Miss OPA gestured with her sceptre toward President Truman, said:

"Oh, gee, Harry, if they love me on Capitol Hill in December as they once loved me in May what will the Republicans do for an issue next November? And, sir, what will you do?"

Mr. Truman made the traditional speech of the Chief Executive at the close of the dinner. He was preceded by the opposition orator, Speaker Martin. The remarks of both were off the record, in accordance with the club's custom that "reporters are never present."

The entertainment program opened with the introduction of Miss Inflation and Miss ERP (European Recovery Program), together with the entire Gridiron chorus, who sang to the President:

"Papa, won't you dance with me?
Oh, dance with me, tonight."

The sketch which roasted avowed and suspected Presidential candidates had a ghost-town setting in the West. It opened with a dance macabre while a half-dozen ghosts flitted about the stage.

"Why do Dewey and Taft and Stassen and all those Republicans come visiting our Western ghost towns?" asked one.

"They're looking for the silent vote," another ghost replied.

The entry of the chorus, headed by Carroll Reece, led to the introduction of Senator Vandenberg, who sang:

"Feudin' and fussin' and a-fightin',
Always the G. O. P.'s excitin',
Candidates neighborly people; peaceful and sweet
All except when they happen to meet.
Stassen, Taft and Dewey,
Of each other they say "phooey."
Let's get a liberal leader like me, and then
We'll go feudin' and fightin' again."

Vandenberg faded back. Carroll Reece asked Senator Taft if party unity was not beautiful.

"As we say in Ohio," replied Taft, "it's nice work if you can get it." He then sang:

"I'm running as I never ran before,
Since first I strolled upon the White House scene.
Since nineteen-eight put dad's name on the door,
I've wanted to return there
Since I was just—since I was just nineteen."

Tom Dewey remarked: "Some people talk too much."

"What's the matter with your golden barytone, Governor?" asked Reece.

"I'm saving it for next year," Dewey replied. "Until then, you're not going to hear anything from me but a whisper." Dewey sang:

"Whispering won't make people hear me.
Whispering so no one can hear me.
Each little whisper seems to cheer me.
Whisper and wait, there's no use tempting fate
For talking won't win the nomination—
Talking just leads to tribulation.
Whisper and you can sweep the nation,
Whispering for forty-eight."

Stassen then came forward and was startled by the appearance of General Eisenhower.

"What do I see?" asked the former Minnesota Governor, shuddering. "I see what every other Republican candidate sees. I see stars—one, two, three, four, five I see five stars. And that face—it's everywhere." Then Stassen sang:

"I see his face before me
Haunting every dream.
There is his face before me
I can't escape its beam.
It doesn't matter where you are
Night and day and every hour
All that I see is Eisenhower,
Always."

Eisenhower refused to give Reece any hint of his intentions. He sang:

"Sweet G. O. P. whispers to me
Asking me what I will do.
Dewey and Taft
Feeling a draft,
Kansas is calling me too.
Democrats fear what they will hear
Hoping it will be in vain,
But it's too soon
Some time next June
Ask me, ask me again."

The state of foreign affairs was presented in a scene at the North Pole. Two Eskimos were bemoaning their lonesomeness when Representative Christian Herter and a chorus of Congressmen in hobo clothes entered. An Eskimo asked the purpose of the mission, and Herter replied:

"My friend, we've been done. Never have so many nations done one nation for so much, so thoroughly, so help me. What we're looking for now, sir, is some reverse Marshall plan. You know—we git—they give."

"Looks like Santa Claus is busted," commented one Eskimo. Herter suggested that Senator Bridges tell them just how busted, weary and homesick they were. Using the tune "I'm an Old Cow Hand," Bridges sang:

"I'm a fugitive from the Senate floor
I been junketing all the wide world o'er
And I ain't seen none good as U. S. A.
When I git back home I'm goin' to stay."

Upon the appearance of Secretary Marshall, an Eskimo urged him to tell the starving nations about his plan. The Secretary of State responded in song:

"Oh, there never was a plan just like my plan
It's a plan that even I don't understan'
But the European nations made it pay O. K.
What's the difference if we have no clothes or heat
And we've all forgotten how it feels to eat
For whatever may plan is, it's a whiz, for evermore."

The dinner show closed with a visit to Dr. Truman's clinic. As the orchestra played "I'm Going Crazy," Dr. J. Howard McGrath, Democratic national chairman, was shown studying charts.

In came "Yogi Henry Wallace," who proclaimed: "This is the lousiest clinic I've ever been in. I'm thinking of starting one of my own. And when I do, I'll put this place out of business."

An attendant insisted that Wallace, whom Mr. Truman ousted as Secretary of Commerce, thought he was being cheered each time he got the "bird," and urged the Yogi to "tell 'em." Wallace then sang:

"I wonder who's hissing me now
Wonder who just showed them how
It's surely not Stalin—He loves me
Tee-hee-hee
Yess-ssir-ree
I know I can trust Molotov
I couldn't suspect Litvinov
Bet you can guess—It is just the U. S.
No wonder they're hissing me now."

Harold M. Talburt, cartoonist for the Scripps-Howard newspapers, Gridiron Club president for 1947, opened the dinner with the "Speech in the Dark." Phelps H. Adams, Washington correspondent of "The Sun," of New York, was elected club president for 1948. Richard L. Wilson, Washington correspondent of "The Des Moines Register and Tribune," was elected vice-president.

Academy To Get Bust Of Halsey

Washington, Dec. 13 (AP)—Harold E. Stassen, former naval captain, will speak Sunday at the United States Naval Academy when a bronze bust of Fleet Admiral William Halsey, Jr., former commander of the Third Fleet, is presented to the academy. Stassen was Halsey's flag secretary.

The bust, gift of Benjamin B. Dossett, class '07, Charlotte, N.C., and Mrs. Dossett, is the work of former Lieut. Com. Wheeler Williams, Chicago and New York, 1937 Paris Gold Medal winner. During the war Williams served in photo interpretations.

The ceremony will be attended by many high ranking officers who served with Admiral Halsey.

CANADA SEEN AS COUNCIL'S CONCILIATOR

United Nations Speculation Turns On New Members' Action

Lake Success, N.Y., Dec. 13 (AP)—Canada is expected to assume a conciliatory role in the new Security Council lineup which finds Russia still in a two-nation minority with the big power veto as her only weapon to block western powers, informed quarters said today.

The principal conciliatory role in the past has been taken by France, but the stiffening attitude of the French Government toward the Kremlin may modify that policy here.

Trygve Lie, secretary-general, has asked the Ukraine, Argentina and Canada, the countries taking seats on the eleven-nation body January 1, to name their delegates, and replies are expected shortly. Poland, Austria and Brazil retire from the Council, whose two-year record shows 22 Russian vetoes.

Speculate On Delegates

Speculation centers around Enrique Corominas, deputy Argentine delegate; L. D. Wilgress, Canadian minister to Switzerland; and Andrei I. Galagan, an adviser in the Ukranian delegation.

Sources here pointed to the Canadian role of conciliation on such General Assembly issues as Palestine and "war-mongering" in predicting she would move steadily to close the breach between the United States and Russia. Canada has taken a similar part in the United Nations atomic energy commission, where Gen. A. G. L. McNaughton has constantly sought to bring the two big powers together.

The overall complexion of the Security Council is expected to change little with the general views of Canada and Argentina on major international issues roughly corresponding to those of Australia and Brazil. The Ukraine will go into the sure-vote-for-Russia column. Poland has balloted consistently with the Soviet Union on all major issues in the familiar 9 to 2 votes.

Report Arce Will Retire

Unconfirmed reports from Buenos Aires said Dr. José Arce, chief Argentine United Nations delegate, soon will retire from diplomatic service. Among those mentioned for the Security Council post are Corominas; Raul Desmaras, Under Secretary of Foreign Affairs in charge of policy; and Alberto Vignes, chief of protocol. All three hold the permanent rank of ambassador.

It was reported that Galagan will eventually become chief alternate for the Ukraine but will sit regularly until a permanent man can be named. Dmitri Z. Manuilsky, foreign minister of the Ukraine, is not considered a candidate because of illness and his major post at home, but some quarters expect him to be here for the one-month period when the Ukrainian delegation takes over the Security Council chairmanship.

Canadian Possibilities

Among those mentioned as possible Canadian choices are Lester B. Pearson, Under Secretary of State in the Department of External Affairs; Paul Martin, Welfare Minister; General McNaughton, the Canadian delegate to the atomic commission, and Wilgress.

The rest of the new Council will consist of the United States, Russia, Britain, France and China, the permanent members who have the right of veto, and Belgium, Colombia and Syria, whose terms have another year to run.

The Security Council will meet Tuesday in what is expected to be the final session of 1947.

New Price Rise Move Seen In Oil Industry

New York, Dec. 13 (AP)—A new round of price increases for gasoline and other petroleum products is expected in oil circles to get under way next week.

The initial move in that direction, so far as East Coast states are concerned, was taken late yesterday by Socony-Vacuum when it advanced motor gasoline, aviation gasoline, home-heating oils, light Diesel oil and kerosene nine tenths of a cent a gallon. Heavy fuel oil was increased 30 cents a barrel.

Whether this price pattern will be followed by other leading marketers on the East Coast is undecided, spokesmen for the various firms indicated, but all were in agreement that adjustments in prices will be necessary in view of the recent industry-wide 50-cent-a-barrel increase in crude oil. That was the reason advanced by Socony-Vacuum.

In other marketing areas, Standard Oil of Ohio and Standard Oil of Indiana, serving mid-Western and other interior states, advanced their prices last week by larger amounts.

Other firms operating in other sections are expected to follow suit by the middle of next week, but whether the increases will be uniform or not was unknown in Eastern oil circles.

Infantry Gains In Ft. Dix 'War'

CAMP KILMER, N. J., Dec. 13 (AP).—The 78th Infantry Division went into action today—on paper—in a simulated counterattack designed to oust an imaginary enemy from Fort Dix.

A communique this afternoon announced gains of a mile and a quarter against fairly heavy opposition, but all the action was on the map boards maintained at headquarters.

The "counter-attack" was part of a command post exercise arranged by the Army to maintain the military scales of its reserve officers. Some 200 wartime officers from throughout the State of New Jersey are participating in the week-end exercise, returning tomorrow night to their normal civilian status.

The exercise started at midnight last night.

Special Agency Is Urged To Appraise U. S. Press

ROCHESTER, N. Y., Dec. 13 (AP).—A "continuing" agency to "appraise and criticize the performance of the American press," was recommended today by the Chancellor of the University of Chicago.

Dr. Robert M. Hutchins, who headed the Comission on the Freedom of the Press, added at a City Club meeting:

"If you don't want government control of the press on the one hand but want to protect the freedom of the press from the abuses almost inherent in the concentration of press ownership, an independent agency freely evaluating and criticizing the press' performance is the only answer."

Dr. Hutchins said such an agency would have to be "totally independent, unbiased and impartial." He said it would be similar to the Commission on the Freedom of the Press but "not necessarily composed of the same personnel.

Ball Insists Aid Be Conditional

Philadelphia, Dec. 13 (AP)—Senator Ball (R., Minn.) suggested today that the time may have come for "a little interfering" in the internal affairs of the European nations which are asking for long-range help under the Marshall plan.

"They don't have to take our money if they don't want it," Ball told the Foreign Policy Association. "Being an international Santa Claus is becoming a bit too expensive."

Wants Chance Of Results

He said in a prepared address that the Marshall plan would raise the European standard of living "in most cases above prewar levels."

"I have no quarrel whatever with the fundamental premise of the Marshall plan," Ball said. Then he added:

"But I do want assurance that our expenditures stand at least a 50-50 chance of achieving results, and I am very certain that if the Administration is left free to pursue the policies it has pursued in the past it will fail again."

Approves On 3 Conditions

Ball said the Marshall plan should be approved only if:

1. France agrees to tie her zone in Germany to the British and American zones.

2. "Many countries" agree to revise their foreign exchange rates, under which "the foreign importer must pay double or more the true value of any goods he buys, in terms of his own currency."

3. Britain agrees to ship 1,000,000 tons of coal a month to the rest of Europe.

The senator noted that Britain now imports coal from the United States. "We would not tell England how to mine the coal" for export, he said. "That is her problem."

"No aid program can be put on a humanitarian basis . . . ," Ball asserted. "Congress has no power under the Constitution to appropriate public money for charity abroad . . ."

Cites "Only Legal Basis"

"The only basis on which Congress can act is that our aid to Europe will advance the interests, national welfare and security of the United States."

He said the Administration has an "almost 100 per cent record of erroneous predictions and failure to achieve promised results in foreign policy," and concluded:

"I have never heard of a football game or a hot war being won by a good defense and nothing else. I doubt whether a cold war can be won by a good defense and nothing else . . ."

"We have let ourselves be pushed around for two years on the defensive and the results are not happy. Let's try a little offensive strategy for a change."

METHODIST MISSIONS

Buck Hill Falls, Pa., Dec. 13 (A. P.).—The Methodist Church has allotted $10,177,558 for missionary service overseas and in this country during 1948—the largest appropriation for missionary work in its history. The outlay, approved yesterday by the Methodist Board of Missions and Church Extension at the close of week-long meetings, represents an increase of $796,239 over this year's figure.

The planned distribution includes $3,857,359 to the Division of Foreign Missions for its work in Europe, Asia, Africa and South America; $2,048,535 for the Division of Home Missions for use in cities, rural and frontier parishes and institutions and $4,271,664 for the Woman's Division of Christian Service for use both in the United States and overseas.

Meanwhile, it was disclosed that approval had been given by the board to the projected Christian University for Japan, which is to be established as a "voluntary gift as a gesture of good will from the Christian people of America to the people of Japan."

Friendship Caravan To Start Tuesday

DETROIT, Dec. 13 (AP).—Michigan, left off the route of the original Friendship Train, will have its own "Friendship Food Caravan" to help feed hungry Europe.

Junior Chambers of Commerce in 78 of the State's cities will launch the project next Tuesday with a goal of 100 truckloads of food.

The motor caravan will leave Detroit Jan. 5 for Philadelphia, from where the food will be shipped overseas.

MICHIGAN U. BARS SPEECH BY EISLER

Ann Arbor, Mich., Dec. 13 (A. P.).—The University of Michigan disclosed today that it had refused permission to Gerhart Eisler to make a speech on the campus.

A request for Eisler's appearance had been made by the Michigan Youth for Democratic Action, a student group from which the university withdrew its recognition last April. Eisler has been convicted of contempt of Congress for refusing to say whether he had any Communist affiliation.

The student group has been affiliated with the American Youth for Democracy, which the Federal Bureau of Investigation has called a "Communist front."

Racial Council Hails Truman Group's Stand

Atlanta, Dec. 13 (AP)—The Southern Regional Council in a letter to President Truman has pledged the biracial group "to the task of creating sound attitudes toward education, full suffrage and equal opportunity for all the South's people."

At the same time the council commended the President for appointing the Committee on Civil Rights and urged that the people of the South and the nation "give most thoughtful consideration to the committee's report."

The council also observed to the President that "it is our belief that all right thinking Southerners will consider it their duty to aid in combating injustices which have accompanied race prejudice and segregation in the South."

The report by the Committee on Civil Rights urged that segregation be eliminated in the states having such laws and that Federal funds be withheld from those which failed to do so.

1 Seminole Peace Vote Won By N.Y.

Miami, Fla., Dec. 13 (AP)—New York, heap big paleface city, has convinced a Seminole Indian leader that his little tribe in the Florida Everglades should make peace with the United States.

The Seminoles fought a war with the palefaces more than a century ago and ever since they have done all possible to ignore the white man. Only a week ago they gave President Truman a tribal shirt, but disclaimed him as an honorary tribal brother.

That attitude apparently had changed today when Billy Oceola, tribal elder and member of the

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ruling council, returned to Miami after a trip to New York aboard a new Seaboard streamliner.

Speaking for himself if not for the 748 other Florida Seminoles, Billy said:

"White man heap change. I see Empire State Building, radio, television. Great overseer give white man big knowledge. I hope red man, too, will share great work.

"Now I ask Seminoles if want peace with United States. All Seminoles answer, then maybe make peace treaty."

FILM FIGURES LOSE FIGHT OVER RETURN

Los Angeles, Dec. 13 (A. P.).—Ten Hollywood film figures must face contempt of Congress charge in Washington, D. C., Federal Judge J. F. T. O'Connor ruled in effect yesterday, declaring that his court lacked jurisdiction to hear arguments questioning the validity of the District of Columbia Grand Jury indictments against them. They were indicted after they refused to tell the House Un-American Activities Committee whether they are Communists.

Defense Attorney Robert W. Kenny said that he will ask Federal court permission in Washington Monday for the defendants to remain here until it is determined whether they are to stand trial. They are scheduled to appear in Washington on Friday. All are at liberty under bond of $1,000 each.

BY ALVIN J. STEINKOPF

LONDON, DEC. 13-(AP)-GERMAN CORRESPONDENTS, A DOZEN MEN AND A FEW WOMEN, ARE REPORTING THIS FOREIGN MINISTERS' CONFERENCE. THEY ARE POLITE, SELF-EFFACING, SOMETIMES BEWILDERED. THEY REPRESENT GERMANY'S DIVERSE POLITICAL PARTIES, BUT ALL EXPRESS HOPE GERMANY CAN BECOME A POLITICAL AND ECONOMIC UNIT.

THE GERMANS ENJOY THE FACILITIES OF ALL REPORTERS ACCREDITED TO THE CONFERENCE. THEY ATTEND VARIOUS BRIEFINGS, WHERE OFFICIALS OF THE FOUR DELEGATIONS ADVISE REPORTERS OF DEVELOPMENTS (REPORTERS ARE BARRED FROM THE CONFERENCE SESSIONS).

FOR MOST, THE TRIP TO ENGLAND IS THEIR FIRST GLIMPSE OF LIFE OUTISDE GERMANY FOR A LONG TIME. THEY ARE INCLINED TO STICK TOGETHER, LISTEN CAREFULLY, TAKE NOTES VOLUMINOUSLY AND SAY LITTLE. AMONG THEM ARE COMMUNISTS AS ARDENT AS V.M. MOLOTOV, BUT BRITISH, AMERICAN AND FRENCH POLICIES ALSO HAVE THEIR SUPPORTERS.

A NUMBER OF THE CORRESPONDENTS VOLUNTEERED OBSERVATIONS. DR. ERIK REGER, EDITOR OF THE AMERICAN LICENSED NON-PARTISAN NEWSPAPER TAGESPIEGEL, OF BERLIN, SAID:

"MOLOTOV'S DAILY CHARGES AGAINST WESTERN COUNTRIES WILL HAVE SOME EFFECT IN THE WESTERN ZONES IN INDUSTRIAL AREAS WHERE CONDITIONS ARE BAD AND THE COMMUNISTS ARE STRONG. THERE WILL BE NO EFFECT IN THE EASTERN ZONE, SINCE THERE THE PEOPLE KNOW HOW BAD THINGS ARE UNDER THE SOVIET ADMINISTRATION. IT IS APPARENT THAT THE COMMUNISTS ARE SEEKING SUPPORT OF GERMAN NATIONALIST ELEMENTS, BUT THE FEELING OF THESE ELEMENTS AGAINST COMMUNISM HAS BEEN SO STRONG THAT LITTLE EFFECT IS ACHIEVED."

A CONTRARY VIEW WAS EXPRESSED BY RUDOLF FEISTMANN, CORRESPONDENT OF BERLIN'S NEUES DEUTSCHLAND, ORGAN OF THE SOCIALIST UNITY (COMMUNIST) PARTY:

"MY IMPRESSION IS THAT THE SOVIET DELEGATION IS THE ONLY DELEGATION WHICH REALLY ADVOCATES POLITICAL AND ECONOMIC UNITY OF GERMANY, AND IS AGAINST ITS COLONIZATION. THE PROPOSALS OF THE AMERICAN DELEGATION FOR FEDERALIZATION OF GERMANY WILL FIND LITTLE UNDERSTANDING AMONG GERMAN PEOPLE."

DR. ALFRED FRANKENFELD, CORRESPONDENT OF THE HAMBURGER FREIE PRESSE WHICH REFLECTS VIEWS OF THE FREE DEMOCRATIC PARTY, COUNSELED PATIENCE: "NONE OF MY FRIENDS EXPECTED A SWIFT OR AN EASY CONCLUSION OF THE CONFERENCE. OUR HOPES ARE NOT DASHED ENTIRELY."

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LONDON, DEC.13-(AP)-SOVIET RUSSIA'S V.M.MOLOTOV HAD LUNCHEON TODAY WITH SECRETARY OF STATE MARSHALL. THEY ATE AT THE HOME OF U.S. AMBASSADOR LEWIS DOUGLAS.

AN AUTHORITATIVE SOURCE SAID MARSHALL KEPT THE MEETING "PURELY SOCIAL," STEERING AWAY FROM SUBJECTS CONNECTED WITH THE FOREIGN MINISTERS' CONFERENCE. THE LUNCHEON HAD BEEN ARRANGED BEFORE THE FRIDAY CONFERENCE SESSION IN WHICH MOLOTOV LAMBASTED THE WESTERN COUNTRIES AND MARSHALL MADE A SEVERE REPLY.

MOLOTOV'S DEMAND FOR OBTAINING GERMAN REPARATIONS BY INCREASING GERMAN INDUSTRY REVEALS THAT THE SOVIET UNION WILL PUSH THE PRODUCTION IN THE EASTERN ZONE OF GERMANY TO THE UTMOST, COUPLED WITH A POLITICAL OFFENSIVE IN GERMANY.

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DURING THE CONFERENCE, MOLOTOV HAS CONSTANTLY POUNDED THE THEME THAT THE SOVIET UNION IS GERMANY'S ONLY FRIEND. THIS LINE HAS BEEN CARRIED THROUGH RELENTLESSLY ALTHOUGH MOLOTOV MUST KNOW IT IS COSTING THE COMMUNIST PARTY SUPPORT IN SUCH COUNTRIES AS FRANCE.

IT SEEMS LIKELY THEREFORE THAT RUSSIA'S ALL POWERFUL POLITBURO HAD DECIDED THAT GERMANY IS THE MAIN OBJECTIVE AND NECESSITY TO SOVIET PLANNING AND IS GOING TO MAKE ITS MAIN EFFORT THERE AT THE EXPENSE OF ITS INFLUENCE IN OTHER COUNTRIES.

AT THE SAME TIME ANNOUNCEMENT OF THE SIGNING OF THE CZECH-SOVIET TRADE PACT HAS EMPHASIZED ANOTHER WEAPON IN RUSSIA'S HANDS--THE TYING OF EASTERN EUROPE TO SOVIET ECONOMY THROUGH TRADE PACTS.

A MOSCOW ASSOCIATED PRESS DISPATCH DESCRIBED THIS AS SOVIET "ECONOMIC PLANNING IN THE FIELD OF FOREIGN TRADE."

WHILE CONGRESS DEBATES THE MARSHALL PLAN THE WEST HAS NOT BEEN IDLE. DISPATCHES FROM FRANKFURT SAID GERMAN OFFICIALS ALREADY HAVE DRAFTED A PLAN FOR THE GOVERNMENTAL STRUCTURE OF WESTERN GERMANY.

DISCUSSIONS ON THIS ARE EXPECTED TO FOLLOW IMMEDIATELY ON ANY BREAKDOWN HERE IN LONDON ALTHOUGH TOP WESTERN OFFICIALS DENY ANY DEFINITE STEPS HAVE BEEN TAKEN AS YET.

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INTERPRETIVE

BY JOHN M.HIGHTOWER

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LONDON, DEC. 13-(AP)-IT BEGAN TO LOOK TODAY AS THOUGH VYACHESLAV MOLOTOV ONCE MORE HAD PULLED THE AMERICAN CHESTNUTS OUT OF THE FIRE.

JUST WHEN WESTERN DIPLOMATS HAD BECOME CONVINCED THAT A FAILURE OF THE LONDON CONFERENCE APPEARED INEVITABLE AND WERE BEGINNING TO WONDER HOW THE BLAME COULD BE FIXED ON RUSSIA--WHERE THEY CONTEND IT BELONGS--MOLOTOV CAME FORWARD YESTERDAY WITH A VIRULENT ATTACK WHICH THEY CALLED ABUSIVE AND INSULTING.

AT A MOMENT WHEN HE HAD THE COUNCIL JOLTING ALONG TOWARD POSSIBLE MINOR AGREEMENTS ON GERMANY, HE SUDDENLY CHANGED HIS DIRECTION AND PRODUCED A VIOLENT NEW DISAGREEMENT. HE HAS GIVEN SECRETARY OF STATE MARSHALL, BRITISH FOREIGN SECRETARY BEVIN AND FRENCH FOREIGN MINISTER BIDAULT STRONG REASON--IF THEY WANT IT--TO BREAK OFF THE LONDON CONFERENCE AND SAY RUSSIA MADE ANY PROGRESS HERE IMPOSSIBLE.

THIS IS NOT THE FIRST TIME MOLOTOV HAS REVERSED HIS FIELD--OR HAD IT REVERSED FOR HIM. WHAT MAKES HIM DO IT?

THE ANSWER MOST COMMONLY GIVEN BY WESTERN DIPLOMATS FAMILIAR WITH THE MYSTERIOUS WORKINGS OF THE SOVIET GOVERNMENT IS THAT SOMETIMES MOLOTOV DOES WHAT HE WANTS TO DO, AND SOMETIMES HE HAS TO DO WHAT THE POLITBURO TELLS HIM TO DO.

THE POLITBURO IS THAT LITTLE GROUP OF 14 MEN--INCLUDING STALIN AND MOLOTOV--WHO RUN RUSSIA. MOLOTOV IS THE ONLY ONE OF THE WHOLE GROUP WITH EXTENSIVE EXPERIENCE BEYOND RUSSIA'S BORDERS--THE ONLY ONE WHO KNOWS THE WESTERN WORLD.

THE THEORY OF THE OFFICIAL EXPERTS AROUND MARSHALL IS THAT WHEN MOLOTOV IS PLAYING THE DIPLOMACY OF LITTLE CONCESSIONS--WHEN HE DEMANDS AND APPEARS TO BE MANEUVERING FOR BIG FOUR AGREEMENT--HE IS ACTING ON HIS BEST JUDGMENT. WESTERN DIPLOMATS CONCEDE THAT ON HIS OWN MOLOTOV IS A SUPERB OPERATOR AT THE CONFERENCE TABLE.

BUT WHEN HE MAKES A SWITCH, WHEN HE BUNDLES UP ALL THE FAMILIAR SOVIET RADIO PROPAGANDA CHARGES AND FLINGS THEM IN THE TEETH OF THE OTHER FOREIGN MINISTERS, THEN HE IS BELIEVED BY THE EXPERTS TO BE ACTING ON INSTRUCTIONS OF THE POLITBURO WHOSE MEMBERS KNOW MUCH ABOUT MARXIST POLITICS BUT LITTLE ABOUT DIPLOMACY.

TWO DAYS AGO IT WAS RELIABLY REPORTED FROM SOVIET SOURCES THAT MOLOTOV WAS GOING TO OFFER A COMPROMISE ON REPARATIONS. AMERICAN AND BRITISH OFFICIALS WERE CONVINCED THAT HE WOULD DO SO. FOR ALMOST A WEEK HE HAD TAKEN A MILD AND CONCILIATORY LINE. THEN, INSTEAD OF A COMPROMISE HE LET GO WITH ANOTHER TIRADE.

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THIS INSTANTLY CHANGED THE SITUATION. MARSHALL, BEVIN AND BIDAULT HAD GONE INTO THE CONFERENCE TO SEE WHETHER MOLOTOV MIGHT BE WILLING TO COMPROMISE--BUT PRETTY WELL CONVINCED HE WOULD NOT.

IN ALL THREE WESTERN DELEGATIONS, LESSER OFFICIALS PRIVATELY ASKED: WHAT COMPROMISE IS POSSIBLE WHEN GERMAN PRODUCTION IS AT THE HEART OF EUROPEAN RECOVERY UNDER THE MARSHALL PLAN WHICH RUSSIA IS COMMITTED TO WRECK?

THE PRACTICAL POLITICAL PROBLEM THUS BECAME ALMOST FROM THE FIRST A QUESTION OF FIXING THE BLAME FOR THE GENERALLY EXPECTED FAILURE OF THE LONDON CONFERENCE. FOR A TIME IT APPEARED THAT MOLOTOV WITH HIS TALK OF MINOR CONCESSIONS AND THE NEED FOR AGREEMENT WAS PUTTING THE WESTERN MINISTERS ON THE SPOT. THEY WERE DETERMINED NOT TO MAKE ANY HALF-WAY AGREEMENTS BUT MIGHT HAVE FOUND IT EXCEEDINGLY EMBARRASSING TO REJECT ANY SUCH MINOR COMPROMISES MOLOTOV INSISTED UPON.

WHEN HE SWITCHEE YESTERDAY TO ANGRY DENUNCIATION HE ABANDONED THE WHOLE POSITION HE HAD SO CAREFULLY BUILT UP AND GAVE THE WESTERN MINISTERS THEIR OPENING, A CHANCE TO PROCLAIM A DEADLOCK AND LEVEL THE ACCUSING FINGER OF BLAME AT THE RUSSIANS.

AMERICAN OFFICIALS SAID, MOREOVER, THAT THE VEHEMENCE OF MOLOTOV'S ATTACK WOULD PRODUCE AN ADVERSE REACTION IN THE UNITED STATES AND WESTERN EUROPE AND MIGHT ADD MORE VOTES FOR THE MARSHALL PLAN IN CONGRESS.

IN THE CONDITIONS UNDER WHICH THE LONDON CONFERENCE IS BEING HELD, WESTERN OFFICIALS ESTIMATED THAT THE MOST DESIRABLE BUT LEAST POSSIBLE RESULT WOULD BE REAL BIG FOUR AGREEMENT ON GERMANY.

THAT COULD ONLY BE ATTAINED BY AN ALMOST MIRACULOUS CHANGE IN SOMEBODY'S FOREIGN POLICY AND VAST COMPROMISES ALL ALONG THE LINE.

THE SECOND POSSIBILITY WAS VAGUE AND INDEFINITE AGREEMENT ON MINOR GERMAN ISSUES. MARSHALL AND BEVIN VOWED THEY WOULD NOT BIND THEMSELVES ON SUCH POINTS. BUT WHEN MOLOTOV BEGAN TO MANEUVER FOR SOME AGREEMENT WITH THE IMPLICATION HE WAS WILLING TO MAKE CONCESSIONS, IT BECAME INCREASINGLY CLEAR MARSHALL AND BEVIN WOULD HAVE DIFFICULTY. BEVIN ESPECIALLY IS UNDER PRESSURE FROM THE LEFT WING OF HIS OWN LABOR PARTY TO MAKE EVERY EFFORT TO GET ALONG WITH RUSSIA.

THE THIRD POSSIBILITY WAS A CLEAN BREAK, WHICH WOULD PERMIT THE WESTERN POWERS TO PROCEED WITH THE ORGANIZATION OF RECOVERY IN WESTERN GERMANY AS PART OF THE MARSHALL PLAN FOR WESTERN EUROPE. IN THIS CASE RUSSIA WOULD EXERCISE NO REMAINING VETO OVER AFFAIRS IN THE WEST.

THE BIG FOUR WOULD THEN FORMALIZE THEIR THREE-TO-ONE, WEST-EAST SPLIT WHICH HAS ACTUALLY EXISTED FOR MONTHS IN EUROPE.

BARRING ANOTHER TURNABOUT BY MOLOTOV--WHICH IS ALWAYS POSSIBLE--IT SEEMED THIS WEEKEND THAT THE SOVIET MINISTER HAD YANKED THE CONFERENCE AWAY FROM THE MAZE OF UNCERTAINTIES INTO WHICH HE HAD SEEMED TO BE LEADING IT WITH HIS OFFERINGS OF LITTLE CONCESSIONS.

JS250PE

LONDON, DEC. 13-(AP)-AMERICA'S AND BRITAIN'S NO. 1 DIPLOMATS EXTOLLED THE GROWTH OF MUTUAL FRIENDSHIP AT A PILGRIM'S SOCIETY DINNER LAST NIGHT, STRESSED THEIR DESIRE FOR WORLD PEACE AND CAREFULLY AVOIDED ANY MENTION OF EAST-WEST DIFFERENCES WHICH THREATEN TO BREAK UP THE CURRENT FOREIGN MINISTERS CONFERENCE.

SECRETARY OF STATE GEORGE C. MARSHALL ACCLAIMED THE BONDS BETWEEN BRITAIN AND THE UNITED STATES AND DECLARED:

"I KNOW OF NO BETTER EXAMPLE IN HISTORY OF WHAT CAN BE ACCOMPLISHED BY NATIONS WHO ARE WILLING TO NEGOTIATE IN THE SPIRIT OF FRANKNESS AND WITH A GENUINE DESIRE TO RESOLVE THEIR DIFFICULTIES."

"OUR FRIENDSHIP IS NOT EXCLUSIVE," BRITISH FOREIGN SECRETARY ERNEST BEVIN SAID. "WE EXTEND IT IN THE SAME TO OUR FELLOW

30.24- 14221

HUMAN BEINGS THE WORLD OVER. JUST AS WE, THE BRITISH AND AMERICANS, UNDERSTAND ONE ANOTHER, SO WE WISH TO MAKE THIS UUNDERSTANDING WORLDWIDE."

PRAISING THE MARSHALL PLAN TO AID EUROPE, BEVIN DECLARED THAT "HISTORY HAS DECREED THAT MR. MARSHALL'S NAME WILL BE ASSOCIATED WITH ONE OF THE GREATEST EFFORTS THAT HAVE EVER BEEN MADE IN THE ESTABLISHMENT OF PEACE: THE EUROPEAN RECOVERY PROGRAM."

IN THE SAME VEIN MARSHALL ASSERTED THAT THERE WAS A "GREAT SURGE OF AMERICAN PUBLIC OPINION IN SUPPORT OF AN EFFORT TO ALLEVIATE THE SUFFERINGS AND HARDSHIPS" OF THE PEOPLE OF EUROPE.

THE AMERICAN SECRETARY SAID THE WORLD WAS "SICK UNTO DEATH OF WAR" AND CALLED FOR AN END TO PROPAGANDA ABOUT A NEW CONFLICT.

FRENCH FOREIGN MINISTER GEORGES BIDAULT WAS PRESENT AT THE DINNER. SOVIET FOREIGN MINISTER V. M. MOLOTOV WAS NOT, ALTHOUGH INVITED.

THE SOCIETY'S AIM IS TO PROMOTE AMERICAN-BRITISH FRIENDSHIP.

HJ327AES

VERSAILLES, FRANCE, DEC 13-(AP)-SIX CREW MEMBERS WERE KILLED YESTERDAY WHEN A FRENCH ARMY PLANE CRASHED AND BURNED NEAR RAMBOUILLET, SUMMER HOME OF THE PRESIDENTS OF FRANCE.

DN611AES

BY RICHARD O'REGAN

FRANKFURT, GERMANY, DEC 13-(AP)-A PRELIMINARY DRAFT OF A CONSTITUTION FOR AN INTERIM FEDERAL GOVERNMENT OF WESTERN GERMANY HAS BEEN SECRETLY WORKED OUT BY GERMAN LEADERS OF THE AMERICAN ZONE, IT WAS LEARNED TONIGHT.

THE DRAFT PROPOSAL HAS THE APPROVAL OF MANY BRITISH ZONE POLITICIANS. IT NOW NESTLES IN THE DESKS OF GERMAN OFFICIALS IN BIZONAL HEADQUARTERS. IT LEAVES THE DOOR OPEN FOR INCLUSION OF THE FRENCH ZONE.

IN THE EVENT OF A COMPLETE DEADLOCK AT THE LONDON FOREIGN MINISTERS CONFERENCE, IT WILL BE PRESENTED TO THE GERMAN PEOPLE, OFFICIALS PREDICT. AUTHORIZATION TO GO AHEAD WITH THE PLAN MAY BE GIVEN AT A "GUIDANCE" SESSION OF MINISTERS-PRESIDENT WITH GENS.LUCIUS D.CLAY AND SIR BRIAN ROBERTSON, THE U.S. AND BRITISH MILITARY GOVERNORS. THIS MEETING, GERMAN OFFICIALS SAID, IS TENTATIVELY SCHEDULED FOR DEC. 20.

MINISTERS-PRESIDENT OF THE LEFT-WING SOCIAL DEMOCRATIC PARTY MET IN HANNOVER TODAY, REPORTEDLY TO DISCUSS PROCEDURE FOR PRESENTING SUCH A CONSTITUTION TO THE PEOPLE. THEY ALSO MAY RAISE OBJECTIONS TO DETAILS OF THE PLAN, DRAFTED LARGELY BY RIGHT-WING LEADERS.

GERMAN POLITICIANS WHO ASSISTED IN THE DRAFTING SAID THEY HOPED CLAY AND ROBERTSON MIGHT GIVE THE MINISTERS PRESIDENT THE FOLLOWING BACKING:

1. AUTHORIZATION TO GO AHEAD ORGANIZING WESTERN GERMANY POLITICALLY.
2. PROMISE OF A "PEACE STATUTE" IN THE NEAR FUTURE WHICH WOULD ALLOW THE OCCUPATION POWERS THE RIGHT TO VETO LEGISLATION.
3. ASSURANCE THAT WESTERN GERMANY COULD CONCLUDE ITS OWN TRADE AGREEMENTS, WITHIN THE SCOPE OF THE MARSHALL PLAN AND BACKED BY A CURRENCY OF VALUE ON WORLD MARKETS.
4. ASSURANCE OF GREATER IMPORTS OF RAW MATERIALS TO ALLEVIATE ECONOMIC CONDITIONS, TOGETHER WITH SOME HOPE THAT GERMAN RATIONS CAN BE RAISED TO 2,000 CALORIES A DAY FROM THE PRESENT 1,500 LEVEL.

THE PROPOSED CONSTITUTION FOR A WESTERN GERMAN FEDERATION OF STATES IS BASED LARGELY UPON THE OLD "BUND" OF THE MISMARKIAN ERA, PRESERVING STATES' RIGHTS AND AVOIDING SOME OF THE CENTRALIZATION OF THE WEIMAR REPUBLIC.

THE DRAFT CALLS FOR A TWO-HOUSE SYSTEM, WITH THE UPPER HOUSE HOLDING THE POWER OF VETO. IT ALSO WOULD ELECT A PRESIDENT, WHO WOULD APPOINT A CABINET TO CARRY OUT LAWS APPROVED BY THE TWO HOUSES.

GERMAN OFFICIALS FAMILIAR WITH THIS PLAN SAID ONLY LIMITED CENTRALIZED FUNCTIONS WOULD BE INVESTED IN THE GOVERNMENT--SUCH AS CURRENCY AND POSTS. ENFORCEMENT OF LAWS WOULD REST LARGELY WITH THE STATES. SUCH LIMITED FUNCTION OF THE "BUND", GERMAN OFFICIALS SAID, IS EXPECTED TO ATTRACT FRANCE, STRONGEST POWER AGAINST CENTRALIZED GOVERNMENT.

JJ208PES

STOCKHOLM, SWEDEN, SUNDAY, DEC. 14-(AP)-INFORMED SOURCES SAID LAST NIGHT SWEDEN NEXT YEAR WOULD MAKE ENORMOUS CUTS IN IMPORTS FROM HARD-CURRENCY COUNTRIES, PARTICULARLY THE UNITED STATES, IN A DRASTIC MOVE TO SAVE FOREIGN CURRENCY.

THEY SAID THE QUOTA OF IMPORTS FROM SUCH COUNTRIES HAD BEEN SET AT 389,500,000 (MILLION) CROWNS ABOUT $105,000,000), ONLY ABOUT HALF THAT PROPOSED BY THE GOVERNMENT'S INDUSTRY COMMISSION OCT. 11.

NEW RATIONING OF CONSUMERS' GOODS AND MANPOWER REDUCTIONS IN MANY INDUSTRIES WERE EXPECTED TO RESULT.

RW911PES

GENEVA, SWITZERLAND, DEC 13-(AP)-KING MIHAI OF ROMANIA AND PRINCESS ANNE OF BOURBON-PARMA WERE GUESTS OF HONOR TONIGHT OF EXILED KING LEOPOLD III OF BELGIUM AT A DINNER IN HIS MANSION.

KING LEOPOLD'S STAFF, WHICH HAD TRIED TO KEEP THE PARTY SECRET, DECLINED ALL INFORMATION, BUT MEMBERS OF THE POLICE GUARD SAID THAT AMONG THOSE PRESENT WERE:

THE GUEST OF HONOR: KING MIHAI'S MOTHER, QUEEN HELEN; PRINCESS ANNE'S MOTHER, PRINCESS MARGARET OF DENMARK, AND EX-PRINCE NICOLAS OF ROMANIA, BROTHER OF EX-KING CAROL.

KING MIHAI'S PRIVATE SECRETARY, MAJ.JACQUES VERGOTTI, SAID LAST WEEK THE KING WOULD ASK ROMANIA'S COMMUNIST-DOMINATED GOVERNMENT FOR PERMISSION TO MARRY PRINCESS ANNE.

RQ602PES

MADRID, DEC. 13-(AP)-GEN.FRANCISCO FRANCO, CHIEF OF STATE, SAID TONIGHT SPAIN NO LONGER WAS PRODUCING THE EXPORTABLE SURPLUS OF FARM PRODUCTS NECESSARY TO BRING IN VITALLY NEEDED FOREIGN EXCHANGE. HE TOLD 3,000 REPRESENTATIVES OF FARM OWNERS AND WORKERS, GATHERED IN FRONT OF THE NATIONAL PALACE, THE REASON WAS THAT POPULATION HAD INCREASED 8,000,000 (MILLION) SINCE WORLD WAR I WHILE FARM PRODUCTION HAD FAILED TO INCREASE.

RW910PES

EDITORS:

ROME--SECOND NIGHT LEAD ITALIAN (OGNL), INSERT AFTER 14TH GRAF BEGINNING, "THE ROME X X X" X X X NOT CONFIRMED:

IN A PUBLIC STATEMENT TONIGHT, THE CHAMBER SAID, "THE GOVERNMENT'S COMMUNIQUE AND THE SHAMEFUL PRESS CAMPAIGN LEAD THE CHAMBER OF LABOR TO BELIEVE THE GOVERNMENT DOES NOT WISH TO MAINTAIN WHAT IS PROMISED.

"IF THESE DOUBTS SHOULD BE CONFIRMED, THE CHAMBER WILL BE COMPELLED TO CONVOKE THE COUNCIL OF LEAGUES AND UNIONS TO DETERMINE WHAT ACTION TO TAKE TO INDUCE GOVERNMENT AUTHORITIES TO MAINTAIN THEIR PROMISES."

THE CHAMBER OF LABOR IS A TRADES COUNCIL FOR ROME PROVINCE. THE LARGER COUNCIL OF LEAGUES AND UNIONS IS A BODY OF DELEGATES FROM INDIVIDUAL UNIONS.

THE INTERIOR X X X 15TH GRAF.

RW909PES

DEC -1947

LABOR LEADERS WERE FRANK TO ADMIT THAT THE EFFICIENCY OF INTERIOR MINISTER MARIO SCELBA'S SECURITY PRECAUTIONS SURPRISED THEM.

VIGOROUS EVERYWHERE, RUTHLESS IN SOME PLACES WHERE STRIKERS' JEERS GOT THEIR DANDER UP, THE POLICE YET MANAGED TO HANDLE WITHOUT GUNPLAY THE WIDESPREAD DISORDER GROWING OUT OF THE EFFORTS TO ENFORCE THE STRIKE ON RECALCITRANT ROMAN SHOPKEEPERS. THERE WERE NO FATALITIES. 1000 Bombs (day-strike) XXX Bombs (one night)

COMMUNIST DEPUTIES YELLED "FASCIST" AND "MURDERER" AT THE CHRISTIAN DEMOCRATS IN THE NATIONAL ASSEMBLY AFTER ONE VIOLENT POLICE CHARGE BENEATH THEIR WINDOWS OVERRAN COMMUNIST DEPUTY GIAN CARLO PAJETTA. LEFTIST ORATORS DEMANDED AN INQUIRY, BUT THE TONE OF THEIR COMMENT SEEMED MORE PLAINTIVE THAN BELLIGERENT.

THERE WAS NO IMMEDIATE INDICATION AS TO WHAT THE NEXT MOVE OF THE LEFT MIGHT BE IN ITS SO-CALLED WINTER CAMPAIGN AGAINST DE GASPERI'S GOVERNMENT.

DI VITTORIO TOLD THE 120 UNION LEADERS LAST NIGHT THEY MUST INSTRUCT THEIR MEN NOT TO ATTACK POLICE.

"WHAT WE HAVE TO DO," HE SAID, "IS TO CLEAN OUT THE FASCISTS THAT PERMEATE THE POLICE, WITH REPUBLICAN AND DEMOCRATIC ELEMENTS."

(THE WORDS "REPUBLICAN" AND "DEMOCRATIC," WHEN USED BY COMMUNISTS, CUSTOMARILY MEAN "COMMUNIST.")

THERE WERE SOME OTHER DISORDERS IN ITALY YESTERDAY, AT CALTANISETTA, SICILY, AT VARESE, IN THE NORTHWEST, AT BOLOGNA, IN NORTH CENTRAL ITALY; AND AGAIN AT MILAN, WHERE THE CURRENT SERIES OF TROUBLES STARTED JUST A MONTH AND A DAY AGO.

IN THE LATTER CITY, SMALL INVESTORS INVADED THE STOCK EXCHANGE FOR THE SECOND TIME IN A MONTH, PROTESTING THE CONTINUED FALL OF SECURITIES QUOTATIONS. THE DEMONSTRATION PREVENTED POSTING OF CLOSING PRICES, BUT OFFICIALS SAID THE EXCHANGE, WHICH IS CLOSED ON SATURDAY, WOULD OPEN AS USUAL MONDAY MORNING.

JR225AES

MOSCOW, DEC 13-(AP)-LT.COL.RAYMOND MARQUIE, HEAD OF THE EXPELLED FRENCH REPATRIATION MISSION, SAID TODAY HE EXPECTS TO LEAVE FOR FRANCE TONIGHT BY TRAIN. HIS DEPARTURE BY PLANE HAS BEEN BLOCKED FOR TWO DAYS BY BAD WEATHER.

ON HIS ARRIVAL IN FRANCE, COL.MARQUIE REPORTEDLY FACES POSSIBLE COURT MARTIAL OR OTHER DISCIPLINARY ACTION BECAUSE OF HIS PUBLIC STATEMENT HERE WEDNESDAY IN WHICH HE CONDEMNED THE FRENCH GOVERNMENT'S POLICY TOWARD THE SOVIET REPATRIATION MISSION IN FRANCE.

--DASH--

OFFICIALS OF THE VETERANS MINISTRY IN PARIS HAVE IDENTIFIED MARQUIE AS A COMMUNIST OF LONG STANDING. THEY SAID IT WAS POSSIBLE HE MIGHT BE CASHIERED FROM THE ARMY ON HIS RETURN TO FRANCE. THE GOVERNMENT CONDEMNED HIS MOSCOW STATEMENTS LAST NIGHT IN THE NATIONAL ASSEMBLY AND WON A VOTE OF APPROVAL WHEN THE COMMUNISTS TRIED TO GET THE DEBATE EXTENDED.

DN654AES

JERUSALEM, DEC 13-(AP)-PALESTINE'S RIOTING IS PUTTING PIASTERS INTO THE POCKET OF YACOUB EL BOKHARIA, DEAN OF JERUSALEM'S TARBOOSH MAKERS.

AFTER THE UNITED NATIONS' VOTE FOR PARTITION, ARABS QUICKLY BEGAN DONNING THEIR TRADITIONAL HEADDRESS--EITHER THE MAROON VELVET FEZZES THEY CALL TARBOOSHES OR THE COMBINATION OF HAIR ROPE BINDING A WHITE SHAWL, CALLED THE AGAL AND KUFFIEH.

BOKHARIA, WHO FASHIONS TARBOOSHES FROM CZECHOSLOVAK FELT FOR ABOUT $8 APIECE, SAID THAT BEFORE THE RIOTS HE MADE TWO OR THREE A DAY, BUT "NOW WE ARE HAVING TO FINISH 30 TO 40 EVERY DAY."

SW1057AES

EDITORS:

JERUSALEM--NIGHT LEAD PALESTINE, INSERT AFTER THIRD GRAPH BEGINNING: "ARABS THROUGHOUT XXX" AND ENDING "XXX THE JEWS."

A CURFEW WAS IMPOSED ON THE NORTHERN TOWN OF SAFAD AFTER SPORADIC FIGHTING BROKE OUT IN THAT REGION. ONE ARAB WAS KILLED THERE AND A SMALL ARAB GIRL AND TWO JEWISH SETTLEMENT POLICE WERE SERIOUSLY WOUNDED.

AN ASSOCIATED PRESS XXX FOURTH GRAPH, CHANGING TOTALS IN THAT GRAPH TO READ 224 DEAD IN PALESTINE AND 340 IN MIDDLE EAST. (FIGURES IN THE FIRST GRAPH REMAIK UNCHANGED.)

RQ523PES

30.24- 14223

(480)

PALESTINE--FIRST ADD NIGHT LEAD PALESTINE (A5) XXX OTHER.

AS THE JEWISH SABBATH ENDED FIRING BROKE OUT AGAIN IN THE BLOOD STAINED JAFFA-TEL AVIV BORDER AREA. IT WAS OFFICIALLY ANNOUNCED THAT A NUMBER OF HOUSES WERE BURNING IN THE MANSHIEH QUARTER OF JAFFA.

EYEWITNESSES TO THE JERUSALEM BOMBING SAID TWO EXPLOSIVES WERE TOSSED FROM A TAXI WHICH SPEND INTO THE CROWDED ARAB MARKET PLACE.

JERUSALEM DISTRICT POLICE CHIEF GEORGE HADDINGHAM SAID ONE OF THE BOMBS LANDED IN A "CROWD OF ARABS WAITING FOR BUSSES." THE CASUALTIES WERE TAKEN TO HOSPITALS IN POLICE, AIRFORCE, AND ARMY TRUCKS AND AMBULANCES.

THE ARAB MOB WHICH FORMED BEFORE THE DAMASCUS GATE SWARMED OVER THE HEAPS OF ORANGES PILED HIGH IN THE MARKET PLACE. ARAB CARS AND TAXIS QUICKLY FILLED AN OPEN PARKING LOT. THE ARABS ASSAULTED A BRITISH CONSTABLE, WHO WAS SLIGHTLY INJURED, AND FIRED ON A JEWISH POLICEMAN.

IN THE INTERVAL THE TAXI FROM WHICH THE BOMB WAS HURLED WAS DRIVEN THROUGH WINDING STREETS WHILE ITS OCCUPANTS ENGAGED A POLICE CAR IN A RUNNING GUN BATTLE. LATER THE TAXI WAS FOUND ABANDONED IN THE JEWISH QUARTER.

THE BOMB WHICH STRUCK THE COFFEEHOUSE IN ALL-ARAB JAFFA WAS TOSSED FROM A SPEEDING TRUCK. EYE-WITNESSES SAID THE VEHICLE WAS DRIVEN BY JEWS WHO ENTERED FROM THE DIRECTION OF TEL AVIV.

THE EXPLOSION WRECKED THE COFFEE HOUSE AND DAMAGED AN ARAB TAXI COMPANY AND THE ALHAMBRA MOTIOON PICTURE THEATER.

AN ARAB INFORMANT SAID THE ARAB YOUTH ORGANIZATION WAS PRINTING PAMPHLETS TONIGHT WARNING THE JEWS TO QUIT "TERRORIST ACTS WHICH KILL WOMEN AND CHILDREN" AND COME "INTO THE OPEN AND FIGHT."

THE PAMPHLETS, THE SOURCE SAID, WILL POINT OUT THAT THE ARABS CAN "BRING BOMB ATTACKS TO ZION SQUARE," THE JEWISH SHOPPING DISTRICT IN MIDTOWN JERUSALEM.

FIRE BROKE OUT IN A JEWISH SAUSAGE FACTORY IN HAIFA AND AN ARAB WAS WOUNDED BY GUNFIRE IN THE STREET. AN OFFICIAL REPORT SAID THE JEWISH DRIVER OF A BRITISH ARMY TRUCK WAS SHOT BY AN ARAB POLICE ESCORT NEAR HAIFA AND ROBBED OF HIS RIFLE.

ALTHOUGH HAIFA WAS GENERALLY QUIET, A MILITARY ESCORT MOVED IN AROUND THE NORTHERN PORT CITY. A 36-HOUR CURFEW WAS IMPOSED ON THE JEWISH SECTION OF THE CITY.

JEWISH SOURCES SAID ARAB ARSONISTS SET FIRE TO A JEWISH OWNED MATCH FACTORY AT ACRE.

A22

ELSEWHERE IN THE MIDDLE EAST THE BEIRUT RADIO SET THE TEMPO FOR THE ANTI-PARTITION MOVEMENT SWEEPING THE ARAB PEOPLES. THE STATION, OWNED BY THE GOVERNMENT OF LEBANON, TOLD ITS LISTENERS IT WAS CANCELLING A RELAY OF THE "VOICE OF AMERICA" BROADCAST AND SUBSTITUTING INSTEAD A HALF-HOUR "VOICE OF PALESTINE" PROGRAM. THE NEW PROGRAM, THE STATION SAID, WILL CARRY "ANNOUNCEMENTS OF THE PROGRESS OF ARAB RESISTANCE TO THE PARTITION OF PALESTINE AND MESSAGES FROM OUR LEADERS."

SYRIAN PREMIER JAMIL MARDAM BAY AND LEBANESE PREMIER RIAD BEY ES SOLH CONFERRED IN CAIRO WITH HAJ AMIN EL HUSSEINI, THE EXILED MUFTI OF JERUSALEM. THIS PARLEY WAS ONE OF A SERIES HELD IN CONNECTION WITH THE ARAB LEAGUE'S "COUNCIL OF WAR."

LEAGUE SOURCES SAID ARAB STATESMEN HAD COMPLETED PLANS FOR THE RECRUITING AND EQUIPPING OF A VOLUNTEER "PEOPLE'S ARMY" WHICH IT WAS BELIEVED WOULD CONDUCT GUERRILLA WAR AGAINST ZIONISM. THE ARABS WERE BELIEVED TO BE SETTING THE "H" HOUR FOR THEIR ACTIVITIES.

P0535PES

PALESTINE

CAIRO, DEC. 13-(AP)-THE ARAB FIGHT AGAINST PARTITION OF PALESTINE PROBABLY WILL BE AN "UNOFFICIAL" CONFLICT IN WHICH ARAB GOVERNMENTS GIVE BEHIND-THE-SCENES AID TO A "PEOPLE'S ARMY" OF VOLUNTEERS, OBSERVERS CONCLUDED HERE TONIGHT AFTER FIVE DAYS OF CONFERENCES AMONG THE SEVEN ARAB LEAGUE COUNTRIES. THEY SAID THE ARAB GOVERNMENTS HAD NO INTENTION OF SENDING REGULAR ARMIES INTO THE HOLY LAND WHILE BRITISH TROOPS WERE STILL THERE.

SN1026PES

ATLANTIC CITY, N.J., DEC 13-(AP)-MAJ.GEN.JOHN H.HILLDRING, FORMER ASSISTANT SECRETARY OF STATE AND A MEMBER OF THE U.S.DELEGATION TO THE UNITED NATIONS, DECLARED TONIGHT VIOLENCE IN PALESTINE WILL BE "MINOR IN NATURE AND WILL NOT ENDURE FOR LONG."

HILLDRING, ONE OF A NUMBER OF SPEAKERS TO ADDRESS THE NATIONAL CONFERENCE OF THE UNITED JEWISH APPEAL, SAID "THERE IS EVERY REASON TO BE OPTIMISTIC ABOUT THE FUTURE OF THE JEWISH STATE IN PALESTINE."

HE SAID VIOLENCE IN THE HOLY LAND WAS "INEVITABLE REGARDLESS OF WHAT SOLUTION WAS ADOPTED BY THE U.N.," ADDING:

"I AM CONVINCED THAT EVEN MORE VIOLENCE WOULD HAVE OCCURRED IF NO DECISION AT ALL HAD BEEN TAKEN."

THE UJA IS TO DECIDE TOMORROW HOW MUCH MONEY IT WILL SEEK TO ASSIST ITS THREE MAJOR AGENCIES IN 1948. THE AGENCIES--UNITED PALESTINE APPEAL, THE JOINT DISTRIBUTION COMMITTEE AND THE UNITED SERVICE FOR NEW AMERICANS--HAVE ASKED FOR MORE THAN $395,000,000 (MILLION).

GEN.JOSEPH T.MCNARNEY, ONE-TIME MILITARY GOVERNOR OF GERMANY AND NOW COMMANDING GENERAL OF THE U.S.AIR MATERIEL COMMAND, TOLD MORE THAN 1,300 JEWISH LEADERS THEY MUST SHOW A READINESS "IN THE WAY OF PROVIDING DOLLARS" IF THEY EXPECT TO SEE A NEW JEWISH STATE ESTABLISHED.

MCNARNEY SAID THE PRESENT SITUATION IS PALESTINE CONSTITUTES A THREAT TO PEACE, BUT "I HOPE AND PRAY THAT IT WILL NOT LEAD TO A BREACH OF INTERNATIONAL PEACE."

THE GENERAL SAID THE U.N. "IS ON TRIAL" AND MUST "IF NECESSARY, ENFORCE THE PEACE." HE SAID THE JEWISH PEOPLE MUST ASSUME NEW RESPONSIBILITIES BECAUSE "THERE ARE NO FREERIDES IN HISTORY, NO MATTER HOW MUCH INJUSTICE THERE HAS BEEN IN THE PAST, AND NO MATTER HOW MUCH SUFFERING HAS BEEN EXPERIENCED."

IF THE JEWS ARE TO BE A PART OF THE WORLD DEMOCRACY, I SAY TO

YOU AS A FRIEND OF YOUR PEOPLE, THE JEWS WILL HAVE TO PULL THEIR OWN WEIGHT," MCNARNEY ADDED.

DR.CHAIM WEIZMANN, 73-YEAR-OLD SCIENTIST MOST FREQUENTLY MENTIONED AS THE PROBABLE FIRST PRESIDENT OF THE JEWISH STATE, SAID A U.M. TOKEN FORCE SHOULD BE STATIONED IN THE HOLY LAND.

THE U.N.PARTITION PLAN MERELY GAVE THE JEWS A "CHANCE," WEIZMANN SAID, EMPHASIZING "NO STATE HAS BEEN HANDED TO US ON A SILVER PLATTER."

HE SAID IF WORLD JEWRY DOES NOT MAKE THE MOST OF THE OPPORTUNITY GIVEN IT BY THE U.N.," WE SHALL MISS OUR RENDEZVOUS WITH HISTORY."

Q705PES

NANKING, SUNDAY, DEC.14-(AP)-FACTIONAL STRIFE WITHIN THE KUOMINTANG (GOVERNMENT PARTY) HAS BROKEN OUT AGAIN DESPITE CHIANG KAI-SHEK'S RECENT APPEAL FOR UNITY, IT WAS REPORTED RELIABLY TODAY.

THE LATEST STRUGGLE ARISES OVER JOCKEYING FOR THE PRESIDENCY OF THE LEGISLATIVE YUAN (COUNCI), THESE SOURCES SAY.

THE MATTER CAME TO A HEAD YESTERDAY AT A MEETING OF THE KUOMINTANG COMMITTEE FOR EXAMINATION OF PARTY CANDIDATES, WHERE THE FACTIONS TRIED TO GET THEIR OWN MEMBERS ON THE LEGISLATIVE TICKET TO OBTAIN MAJORITY SUPPORT FOR THE PRESIDENCY.

THE STRUGGLE WAS REPORTED TO BE BETWEEN THE FORCES OF PREMIER CHANG CHUN AND THE EXTREME PARTY RIGHTISTS UNDER CHEN LI-FU, MINISTER OF ORGANIZATION.

THE CANDIDATES FOR THE PRESIDENCY ARE THE INCUMBENT, DR. SUN FO, SON OF THE LATE DR. SUN YAT-SEN, THE RIGHTIST CHEN HIMSELF, AND WU TE-CHEN, REPORTEDLY BACKED BY THE PREMIER.

SUN, WHO IS SAID TO HAVE THE BACKING OF THE GENERALISSIMO, IS GIVEN AN EVEN CHANCE TO RETAIN THE PRESIDENCY.

FJ1014PCS

NIGHT LEAD CHINESE (140)

NANKING,DEC 13 (AP)-PRO-GOVERNMENT FIELD REPORTS TODAY SAID COMMUNIST GEN.LIU PO-CHENG WAS AVOIDING A FRONTAL CLASH WITH NATIONAL TROOPS IN CENTRAL CHINA AND WAS MOVING HIS MAIN FORCE WESTWARD IN AN ATTEMPT TO FLEE ACROSS THE PEIPING-HANKOW RAILWAY.

PREVIOUS GOVERNMENT ACCOUNTS HAD SAID 40,000 OF LIU'S TROOPS WERE SURROUNDED IN AN AREA ABOUT 100 MILES SQUARE NORTHEAST OF HANKOW AND HOPEFULLY PREDICTED THEIR DESTRUCTION BY EARLY NEXT WEEK.

TODAY'S DISPATCHES, WHILE INTIMATING THAT LIU MIGHT BE ESCAPING, WERE NOT SPECIFIC ON WHETHER HE HAD MANAGED TO CROSS THE RAILWAY. IT WAS SAID ONLY THAT HEAVY GOVERNMENT TROOP CONCENTRATIONS WHICH HAD BEEN RANGING ALONG THE LINE MORE THAN 100 MILES NORTH OF HANKOW WERE DEPLOYING FOR AN OFFENSIVE.

HSIN MIN PAO AND OTHER NEWSPAPERS CONTINUED TO REPORT RENEWED COMMUNIST MOVEMENTS IN MANCHURIA, WHERE WINTER WEATHER RECENTLY PUT A HALT TO THE FIGHTING.

GG2PCS NM

FOLO NANKING CHINESE

PEIPING, SUNDAY, DEC.14-(AP)-CHINESE PRESS DISPATCHES INDICATED TODAY THAT A SERIES OF COMMUNIST ATTACKS HAD PARALYZED MOVEMENT OF TRAFFIC OVER THE RAILWAY TO MUKDEN, ONLY RECENTLY REOPENED.

THE MAJOR BREAK ON THIS LIFELINE FROM NORTH CHINA TO MANCHURIA WAS PLACED BETWEEN LWANHSIEN, 90 MILES NORTHEAST OF TIENTSIN, AND CHANGLI, 25 MILES FARTHER EAST.

TRACKS WERE TORN UP AND FOUR STATIONS WERE OCCUPIED IN THIS AREA BY COMMUNISTS RAIDERS, WHO BEGAN THEIR ATTACKS DEC.9, PRESS DISPATCHES REPORTED. GOVERNMENT REINFORCEMENTS WERE RUSHING TO THE AREA.

FJ1011PCS

TSINAN,CHINA,DEC.13-(AP)-A GOVERNMENT OFFICIAL TODAY DESCRIBED CHINA'S CIVIL WAR AS "AN INTERNATIONAL STRUGGLE PRECEDING A THIRD WORLD WAR."

THE OFFICIAL, MINISTER OF ECONOMIC AFFAIRS CHEN CHI-TIEN, ADDED THAT THE CHINESE COMMUNISTS WERE "BACKED BY A SINISTER POWER WHICH IS CREATING GREATER PROBLEMS FOR THE WORLD THAN JAPAN EVER WAS ABLE TO DO."

CHEN SPOKE AT A DINNER IN THIS SHANTUNG PROVINCE CAPITAL CELEBRATING THE ARRIVAL OF THE FIRST TRAIN OVER THE PUKOU-TSINAN LINE SINCE IT WAS CLEARED OF COMMUNISTS.

SD948ACS NM

DEC -1947

SYDNEY, AUSTRALIA, DEC. 13-(AP)-DR. RICHARD WOOLLEY, DIRECTOR OF THE AUSTRALIAN GOVERNMENT OBSERVATOR AT MOUNT STROMLO, CANBERRA, SAID TODAY THAT NEW AND AUTHORITATIVE OBSERVATION OF THE COMET IN THE SOUTHERN SKIES INDICATES IT IS "VERY BRIGHT INDEED."

HE SAID G.F.DODWELL, GOVERNMENT ASTRONOMER IN SOUTH AUSTRALIA, REPORTED THE COMET'S MAGNITUDE AT 1.0 ON THURSDAY NIGHT, WHICH IS BRIGHTER THAN THE 1.5 MAGNITUDE HE NOTED IN THE ONLY OBSERVATION HE WAS ABLE TO MAKE TUESDAY NIGHT.

"INDICATIONS ARE THAT THE COMET IS MOVING INCREASINGLY IN THE RIGHT ASCENSION," WOOLLEY ADDED. "IF THE WEATHER IS CLEAR IT WILL BE MORE EASILY VISIBLE FOR THE NEXT FEW NIGHTS."

THE COMET, WITH A TAIL ESTIMATED AT 75,000,000 (MILLION) MILES LONG, HAS FLASHED ACROSS SOUTHERN SKIES FOR MORE THAN A WEEK, EXCITING ASTRONOMERS TRYING TO DETERMINE IF IT IS A NEW ONE OR AN OLD ONE WHICH HAS SHIFTED OUT OF ITS ORBIT, AS COMETS SOMETIMES DO.

WJ555AES

TOKYO, DEC. 13-(AP)-THE ACCIDENTAL DEATHS OF TWO SOLDIERS WERE ANNOUNCED TODAY BY THE U.S. EIGHTH ARMY.

T/5 ELMER THORNDYKE, DAVENPORT, IOWA, WAS KILLED LAST TUESDAY IN A JEEP-TRAIN ACCIDENT AT YOKOHAMA IN WHICH A JAPANESE ALSO WAS KILLED. HE WAS A MEMBER OF THE 46TH ENGINEER CONSTRUCTION BATTALION.

T/5 S.J.JOHNSON, WILLS POINT, TEXAS, OF HEADQUARTERS DETACHMENT, FIRST CAVALRY, WAS ELECTROCUTED ON AN UNSPECIFIED DATE DURING THE WEEK WHILE REPAIRING ELECTRICAL LINES AT THE DIVISION'S SMALL ARMS RANGE.

RA411ACS

30.24- 14225

MANILA, SUNDAY, DEC. 14-(AP)-THE CHRONICLE SAID TODAY JAPAN WILL SEEK RELEASE OF ALL MEMBERS OF ITS ARMED FORCES CONVICTED OF WAR CRIMES IN OCCUPIED AREAS WHEN THE PEACE CONFERENCE IS HELD.

THE NEWSPAPER QUOTED A "HIGHLY RELIABLE SOURCE" IN THE PHILIPPINE GOVERNMENT AS AUTHORITY FOR THE REPORT.

FJ921PCS

BUENOS AIRES, DEC 3-(AP)-SENATOR DIEGO LUIS MOLINARI, WHO WAS CALLED HOME LAST WEEK FOR NEW INSTRUCTIONS ON THIS NATION'S POLICY IN THE UNITED NATIONS CONFERENCE ON TRADE AND UNEMPLOYMENT, LEFT BY PLANE FOR HAVANA TODAY TO RESUME HIS PLACE AT THE HEAD OF THE ARGENTINE DELEGATION.

DIPLOMATIC REPORTS HAVE SAID MOLINARI WAS CALLED HOME BECAUSE THE FOREIGN OFFICE HAD CONSIDERED EXCESSIVE THE SPEECH IN WHICH HE ACCUSED THE UNITED STATES OF TRYING TO PLACE THE WORLD "UNDER THE DOLLAR SIGN." THE GOVERNMENT HAS NOT CONFIRMED THIS. IT WAS LEARNED RELIABLY, HOWEVER, THAT MOLINARI BROUGHT WITH HIM A RECORDING OF THE SPEECH.

SW111SAES

DAY

ITO

BY M.M. KREEGER

HAVANA, CUBA, DEC 13-(AP)-THE HAVANA TRADE CONFERENCE SCHEDULED A GENERAL DISCUSSION TODAY OF A BRITISH-BACKED PROPOSAL TO BAR NEWS GATHERERS FROM MEETINGS OF SUBCOMMITTEES, WHERE DETAILS OF A CHARTER FOR AN INTERNATIONAL TRADE ORGANIZATION ARE BEING WORKED OUT.

THE UNITED STATES LED AN APPARENTLY STRONG LINEUP AGAINST ANY MOVE FOR SECRECY. THE CONFERENCE PRESS STAFF SAID SEVERAL DELEGATIONS, INCLUDING THE POLISH, HAD INDICATED THEY WILL SIDE WITH THE AMERICAN VIEWPOINT.

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PRESS OFFICERS SAID ERIC WYNDHAM WHITE, EXECUTIVE SECRETARY OF THE CONFERENCE AND HIMSELF AN ENGLISHMAN, HAD DECLARED HE WOULD UPHOLD THE PRINCIPLE OF A FREE FLOW OF NEWS.

D. J. D. CLARK, PRESS OFFICER OF THE UNITED KINGDOM DELEGATION, SAID THE PROPOSAL FOR SECRECY DID NOT NECESSARILY REPRESENT THE VIEWPOINT OF DELEGATION MEMBERS "BUT IT'S IN THE RULES."

THE GENERAL PRESS IS NOT ADMITTED TO SUBCOMMITTEE MEETINGS BUT REPORTERS FOR THE UNITED NATIONS, WHICH IS SPONSORING THE CONFERENCE ON INTERNATIONAL TRADE AND EMPLOYMENT, ATTEND THE SESSION. THE U.N. REPORTERS AFTERWARD HOLD "BRIEFINGS" AT WHICH DEVELOPMENTS ARE GIVEN TO THE GENERAL PRESS.

THE QUESTION CAME UP WHEN A BRITISH DELEGATE OBJECTED TO WHAT HE CALLED "VERBIAGE AIMED SOLELY AT ATTRACTING NOTICE IN THE PRESS." A U.N. REPORTER WAS EXCLUDED BUT WAS READMITTED AFTER SOME DISCUSSION. THE CONFERENCE RULES PERMIT MEETINGS TO BE MADE SECRET BY MAJORITY VOTE.

THE GENERAL COMMITTEE ALSO PLANNED TODAY TO DISCUSS MEANS OF SPEEDING THE CONFERENCE'S WORK. ONE PLAN IS TO LUMP THE 800-ODD PROPOSED AMENDMENTS TO THE CHARTER INTO GROUPS COVERING SIMILAR POINTS.

IN THE CONFERENCE'S COMMITTEE ON RESTRICTIVE BUSINESS PRACTICES, DEBATE WAS CONTINUED TODAY ON A POINT WHICH YESTERDAY BROUGHT ANOTHER IN A SERIES OF SHARP DISAGREEMENTS WHICH HAVE OCCURRED WITH ARGENTINA LEADING ONE SIDE AND THE UNITED STATES AND GREAT BRITAIN THE OTHER.

B12 (CSEC)

SUBJECT OF THE DEBATE IS THE QUESTION OF BANNING PRACTICES BY PUBLIC ENTERPRISES WHICH LIMIT INTERNATIONAL TRADE BY RESTRAINING COMPETITION, LIMITING ACCESS TO MARKETS AND OTHER MEANS.

THE DRAFT CHARTER REQUIRES MEMBER NATIONS TO PREVENT RESTRICTIVE BUSINESS PRACTICES BY BOTH PRIVATE AND PUBLIC ENTERPRISES. MEXICO AND ARGENTINA HAVE SPONSORED AN AMENDMENT TO ELIMINATE THE REFERENCE TO PUBLIC ENTERPRISES. ARGENTINE AND MEXICAN DELEGATES SAID YESTERDAY THAT THEIR COUNTRIES HAD PUBLIC ENTERPRISES WHICH WERE OF GREAT IMPORTANCE IN THEIR NATIONAL ECONOMIES AND THEY FEARED RESTRICTIONS ON THE FUNCTIONS OF THOSE AGENCIES.

THE OPPOSING DELEGATIONS SAID THEY BELIEVED OMISSION OF PUBLIC ENTERPRISES FROM THE PROVISION WOULD OFFER A LOOPHOLE THAT MIGHT NULLIFY THE EFFORT TO PREVENT RESTRICTIVE PRACTICES.

SPEAKING ON THE SIDE OF THE UNITED STATES AND BRITAIN WERE BELGIUM, CANADA, NORWAY AND ECUADOR. DELEGATES OF THE UNITED KINGDOM, NORWAY AND ECUADOR SAID THEY FAVOR INCLUSION OF THE REFERENCE TO PUBLIC ENTERPRISE ALTHOUGH THE ECONOMIES OF THEIR COUNTRIES INCLUDE EXTENSIVE PUBLIC OPERATIONS.

M340AES

HAVANA, CUBA, DEC 13-(AP)-EMILIO ABELLO, CHIEF PHILIPPINE DELEGATE TO THE INTERNATIONAL TRADE CONFERENCE, SAID TODAY THAT ANY MOVE FOR A "SUDDEN ENDING" OF HIS COUNTRY'S PREFERENTIAL TRADE AGREEMENT WITH THE UNITED STATES WOULD BE CONTRARY TO THE AGREEMENT AND AGAINST PHILIPPINE INTERESTS.

THE PROPOSED ITO CHARTER UNDER DISCUSSION HERE INCLUDES A PROVISION REQUIRING MEMBER NATIONS TO ENTER NEGOTIATION FOR SUBSTANTIAL TARIFF REDUCTION AND ELIMINATION OF PREFERENTIAL AGREEMENTS IF ANY MEMBER REQUESTS IT.

THE UNITED STATES IS THE STRONGEST BACKER OF THIS PROVISION, AND AMERICAN DELEGATES HAVE SAID THE U.S. IS PREPARED TO NEGOTIATE REGARDING ELIMINATION OF ITS OWN PREFERENCES, INCLUDING ONE OF MORE THAN 40 YEARS WITH CUBA.

THE PHILIPPINE DELEGATION HAS OFFERED AN AMENDMENT TO INSERT THE WORD "GRADUAL" INTO THE PROVISION.

"GRADUAL ELIMINATION OF PREFERENTIAL AGREEMENTS WOULD COME WITHIN THE PROVISIONS OF OUR AGREEMENT WITH THE UNITED STATES, WHICH PROVIDES A GRADUAL ENDING OF OUR ADVANTAGE OVER A PERIOD OF EIGHT YEARS," ABELLO SAID.

"HOWEVER, ANY MOVE FOR A SUDDEN ENDING WOULD BE CONTRARY TO OUR AGREEMENT AND INTERESTS."

ABELLO SAID HE WOULD SEND TODAY OR TOMORROW A FULL REPORT TO PRESIDENT MANUEL A.ROXAS ON THE STATUS OF THE CONFERENCE, PARTICULARLY REGARDING THE PHILIPPINE PREFERENTIAL TRADE AGREEMENT. HE SAID HE

RECEIVED INSTRUCTIONS FROM ROXAS TO RESIST ANY MOVE WHICH WOULD DRASTICALLY ALTER THE AGREEMENT.

THE CHARTER PROVISION ON NEGOTIATIONS FOR ELIMINATION OF PREFERENTIAL AGREEMENTS, AND NUMEROUS AMENDMENTS, HAVE BEEN REFERRED TO A SUBCOMMITTEE AFTER HEATED DEBATE IN THE COMMITTEE ON GENERAL COMMERCIAL POLICY.

JJ111PES

NIGHT LEAD

PANAMA, PANAMA, DEC 13-(AP)-SEVERAL THOUSAND UNIVERSITY STUDENTS HELD AN ORDERLY TWO-AND-A-HALF-HOUR RALLY TONIGHT IN SANTA ANA PLAZA AT WHICH SPEAKERS CONDEMNED THE GOVERNMENT'S AGREEMENT TO LEASE U.S. NAVAL DEFENSE BASES TO THE UNITED STATES, NOW BEFORE THE NATIONAL ASSEMBLY FOR RATIFICATION. THE SPEAKERS INCLUDED STUDENTS, PROFESSORS AND A REPRESENTATIVE OF THE PEOPLE'S (COMMUNIST) PARTY.

AUTHORITIES HAD LIFTED A BAN ON THE MEETING AT THE LAST MINUTE. YESTERDAY A STREET BATTLE BROKE OUT BETWEEN POLICE AND STUDENTS DEMONSTRATING IN DEFIANCE OF A SIMILAR BAN, AND 25 PERSONS WERE WOUNDED, SOME BY GUNFIRE.

SN1220AES

FOURTH NIGHT LEAD ECONOMIC (AMS BUDGET)

(ADVANCE) WASHINGTON, DEC.13-(AP)-SENATE REPUBLICANS TODAY PUT FORWARD A 10-POINT ANTI-INFLATION PROGRAM GEARED TO VOLUNTARY ACTION IN COMBATTING RISING LIVING COSTS, BUT PROMISED IF THIS DOES NOT WORK TO CONSIDER AUTHORIZING GOVERNMENT CONTROLS.

THEY PEGGED THEIR PROGRAM TO VOLUNTARY LIMITATIONS ON INDUSTRIAL INVENTORIES AND VOLUNTARY AGREEMENTS TO PARCEL OUT SCARCE COMMODITIES.

THE REPUBLICANS CALLED FOR AN INCREASE IN PRODUCTION, A CUT IN GOVERNMENT SPENDING, REDUCTION OF THE PUBLIC DEBT, AND LOWER TAXES.

IN A STATEMENT WHICH SENATOR MILLIKIN (COLO) SAID WAS APPROVED UNANIMOUSLY BY MORE THAN 35 GOP SENATORS IN A FOUR-HOUR SESSION, THE REPUBLICANS PLEDGED ACTION DURING THE SPECIAL SESSION OF CONGRESS ON THREE SPECIFIC ANTI-INFLATION PROPOSALS.

ALL THREE ARE INCLUDED IN THE WOLCOTT BILL WHICH IS SLATED TO GO BEFORE THE HOUSE MONDAY. THESE INCLUDE EXTENSION OF CONTROLS OVER EXPORTS AND TRANSPORTATION, AND LEGISLATIVE SANCTION FOR VOLUNTARY AGREEMENTS AMONG BUSINESSMEN LIMITING INVENTORIES AND AUTHORIZING PRIORITIES.

IN FORMALLY RECOMMENDING PASSAGE OF THE WOLCOTT BILL, THE HOUSE BANKING COMMITTEE PICKED OUT QUOTATIONS FROM A STATEMENT BY MR. TRUMAN LAST YEAR TO BACK UP A CONTENTION THAT SELECTIVE PRICE AND WAGE CONTROLS MIGHT LEAD TO "DISTORTIONS IN PRODUCTION" AND "DIVERSION OF GOODS."

ALTHOUGH THE OFFICIAL POLICY STATEMENT OF THE SENATE REPUBLICANS OKAYED ROUGHLY HALF OF THE 10-POINT PROGRAM PUT FORWARD BY PRESIDENT TRUMAN IN OPENING THE SPECIAL SESSION, IT MADE NO MOVE TO CARRY OUT HIS REQUEST FOR STAND-BY AUTHORITY TO IMPOSE RATIONING AND PRICE CONTROLS ON A COMPULSORY BASIS.

HOWEVER, THE POLICY PAPER SAID:

"IF IT APPEARS THAT VOLUNTARY CONTROLS ARE INADEQUATE TO MEET SPECIFIC PROBLEMS, WE WILL CONSIDER THE GRANTING OF AUTHORITY TO MEET SUCH PARTICULAR PROBLEMS."

THE REPUBLICANS ALSO WILL ATTEMPT, THE STATEMENT SAID, TO PASS AN APPROPRIATION BILL AT THE EMERGENCY SESSION TO PROVIDE FUNDS WHERE NECESSARY TO CARRY OUT THEIR INTENDED PROGRAM.

A3WX

THE G.O.P.LEGISLATORS EXPRESSED CONCERN OVER STEADILY RISING PRICES AND SAID IF THE SPIRAL CONTINUES "THE ULTIMATE ADJUSTMENT MAY BE DRASTIC, THREATENING A SERIOUS DEPRESSION."

THEY CHARGED THAT THE ADMINISTRATION "NOW SEEKS TO IMPOSE CONTROLS ON THE EFFECTS OF INFLATION WHILE IT CONTINUES TO ENCOURAGE THE CONDITIONS WHICH CAUSE INFLATION."

THE STATEMENT SET FORTH THESE 10 POINTS ON WHICH IT SAID COMMITTEES ARE NOW WORKING:

1. ENCOURAGE AN INCREASE OF PRODUCTION AS RAPIDLY AS FEASIBLE.
2. ELIMINATE NON-ESSENTIAL GOVERNMENT EXPENSES, AND REDUCE DEBT AND TAXES.
3. RESTRICT EXPORTS, PARTICULARLY TO COUNTRIES WHICH HAVE NOT SUFFERED THE DEVASTATION OF WAR.
4. DISCOURAGE FURTHER INCREASE OF BANK CREDIT FOR NON-PRODUCTIVE USES. THE STATEMENT SAID THAT "THE ADMINISTRATION HAS FAILED TO USE EFFECTIVELY" THE POWER WHICH IT HAS HAD TO RESTRAIN BANK CREDIT.
5. DISCOURAGE UNDUE INCREASE OF CONSUMER CREDIT.
6. SUPPORT A VOLUNTARY PROGRAM TO ELIMINATE WASTE IN THE USE OF GRAIN AND FOOD.
7. SUPPORT A GENERAL PROGRAM TO ENCOURAGE ALL THOSE IN A POSITION TO DO SO TO SAVE MORE.
8. AUTHORIZE THE PRESIDENT TO ENTER INTO TEMPORARY AND VOLUNTARY AGREEMENTS WITH INDUSTRIES TO LIMIT INVENTORIES AND AUTHORIZE PRIORITIES, SO AS TO REMOVE BOTTLENECKS IN THE PRODUCTION OF VITAL COMMODITIES.
9. EXTEND RENT CONTROL FOR ANOTHER YEAR, "MAKING SUCH ADJUSTMENTS AS ARE REQUIRED TO GIVE JUST TREATMENT TO TENANTS AND OWNERS ALIKE."
10. GIVE AUTHORITY TO THE EXTENT NECESSARY TO PREVENT "IMPROPER AND EXCESSIVE SPECULATION ON COMMODITY EXCHANGES."

THE REPUBLICANS CONCLUDED THEIR STATEMENT OF PRINCIPLES WITH AN ATTACK ON ADMINISTRATION POLICY.

"THE PRESENT ADMINISTRATION HAS FAILED TO STIMULATE THE INITIATIVE AND OTHER ELEMENTS OF INDIVIDUAL FREEDOM WHICH HAVE MADE OUR COUNTRY THE STRONGEST, OUR PEOPLE THE HAPPIEST AND THE FREEST ON THE FACE OF THE EARTH," THEY SAID.

"WE INTEND TO DO OUR BEST TO GIVE THOSE PRINCIPLES OF FREEDOM ANOTHER CHANCE TO OPERATE FOR THE GREATER BENEFIT OF ALL, WITH ONLY SUCH RESTRAINTS AS THE GOVERNMENT MUST IMPOSE TO MAKE THEM OPERATE WISELY."

BEFORE THE SENATE GROUP REACHED ITS AGREEMENT ON ANTI-INFLATION POLICY, THE HOUSE BANKING COMMITTEE FORMALLY RECOMMENDED PASSAGE OF ITS OWN BILL. THIS SLAO IS BASED ON THE BELIEF THAT THE COST OF LIVING CAN BE CURBED LARGELY THROUGH VOLUNTARY ACTION, INSTEAD OF THE COMPULSORY CONTROL POWERS WHICH PRESIDENT TRUMAN ASKED. more

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THE REPUBLICAN-DOMINATED HOUSE COMMITTEE PLUCKED QUOTATIONS FROM A 1946 STATEMENT BY PRESIDENT TRUMAN TO BOLSTER ITS ARGUMENT THAT SELECTIVE PRICE AND WAGE CONTROLS--PART OF THE PRESENT TRUMAN PROGRAM--MIGHT LEAD TO "DISTORTIONS IN PRODUCTION" AND "DIVERSION OF GOODS."

THE COMMITTEE DID NOT, HOWEVER, ABSOLUTELY RULE OUT THE POSSIBILITY THAT EVENTUALLY IT MIGHT BE NECESSARY TO RESORT TO THE STANDBY PRICE, WAGE AND RATIONING AUTHORITY WHICH MR.TRUMAN SOUGHT IN HIS MESSAGE OPENING THE SPECIAL SESSION.

THE HOUSE BANKING COMMITTEE BILL, DRAFTED BY ITS CHAIRMAN, REP. WOLCOTT (R-MICH) IS SLATED TO GO BEFORE THE HOUSE MONDAY.

IT PROPOSES FOUR MOVES DESIGNED TO BRING DOWN THE HIGH COST OF LIVING: TEMPORARY RELAXATION OF THE ANTI-TRUST LAWS TO PERMIT BUSINESS TO ENTER INTO PRICE-REDUCTION AGREEMENTS; EXTENSION OF EXPORT CONTROLS; BROADENED AUTHORITY OVER TRANSPORTATION, SUCH AS THE ALLOCATION OF BOXCARS WHERE THEY ARE MOST NEEDED; AND A BOOST IN THE GOLD RESERVES OF FEDERAL RESERVE BANKS AND THEIR MEMBERS.

THE HOUSE COMMITTEE PULLED A NOV. 9, 1946 SPEECH BY MR. TRUMAN OUT OF THE FILES TO ILLUSTRATE ITS CONTENTION THAT COMPULSION MIGHT PROVE HAZARDOUS. THEY QUOTED THE PRESIDENT AS SAYING:

"THE PRICE ADMINISTRATOR HAS ADVISED ME THAT, WITH SO MUCH OF THE ECONOMY FREED FROM PRICE CONTROLS, CLINGING TO THE REST WOULD, IN HIS JUDGMENT, LEAD TO DISTORTIONS IN PRODUCTION AND DIVERSION OF GOODS TO AN EXTENT FAR OUTWEIGHING ANY BENEFIT THAT COULD BE ACHIEVED."

A153WX

THE COMMITTEE COMMENTED THAT IT ALSO FEARS THAT THE IMPOSITION OF SELECTIVE PRICE CONTROLS AT THIS TIME "MIGHT BRING ABOUT PRECISELY THOSE 'DISTORTIONS' AND THAT JDIVERSION' WHICH THE PRESIDENT FEARED A YEAR AGO."

"ON ITS FACE," THE REPORT CONTINUED, "AN ATTEMPT AT SELECTIVE PRICE CONTROL MIGHT DIMINISH THE PRODUCTION OF PRECISELY THE GOODS THAT ARE IN SHORT SUPPLY, AND MIGHT TEND TO DIVERT PRODUCTION TO LESS SCARCE AND LESS ESSENTIAL GOODS THAT ARE NOT CONTROLLED.

THE COMMITTEE ALSO QUOTED THE PRESIDENT AS HAVING SAID ON OCT. 14, 1946, THAT "PRICE CONTROL AND WAGE CONTROL ARE LARGELY DEPENDENT UPON EACH OTHER." THE LAWMAKERS SAID IT FOLLOWS THAT SELECTIVE PRICE CONTROL WOULD HAVE TO BE PAIRED WITH SELECTIVE WAGE CONTROLS.

"BUT," THE COMMITTEE ASKED, "IF THE PRICE OF STEEL, OR EXAMPLE, WERE HELD DOWN WHILE THE PRICES OF OTHER COMMODITIES WERE PERMITTED TO RISE, COULD THE GOVERNMENT HOLD DOWN WAGES IN THE STEEL INDUSTRY WHILE ALLOWING WAGES IN OTHER INDUSTRIES TO GO UP? WHAT WOULD BE THE RESPONSE OF THE STEEL LABOR UNIONS TO SUCH A PROPOSAL?

"WOULD THERE, IN FACT, BE ANY WAY TO IMPOSE SELECTIVE PRICE CONTROLS THAT WOULD NOT LEAD TO A DEMAND FOR RETURN TO OVER-ALL PRICE AND WAGE CONTROLS IN ORDER TO PREVENT THE 'DISTORTIONS' AND 'DIVERSION' THAT AN ATTEMPT AT SELECTIVE PRICE CONTROL WOULD BRING ABOUT?"

THE COMMITTEE SAID IT HAD "ENDEAVORED TO COMPLY WITH THAT PART OF THE PRESIDENT'S PROGRAM WHICH IT BELIEVES CAN SAFELY BE PUT INTO EFFECT IMMEDIATELY." IT ADDED THAT THE WHOLE PROGRAM WOULD BE STUDIED IN THE REGULAR SESSION OPENING IN JANUARY.

WHILE DEMOCRATIC MEMBERS OF THE COMMITTEE DO NOT PLAN TO ISSUE A MINORITY REPORT, ONE OF THEM, REP. MONRONEY (D-OKLA), EXPRESSED THE BELIEF THAT THE UNIT SHOULD HAVE HAD MORE TIME TO STUDY THE REPUBLICAN PROGRAM.

TAFT SAID HIS COST-OF-LIVING POLICY STATEMENT CONTAINS THREE OF THE FOUR POINTS OF THE WOLCOTT BILL -- ALL EXCEPT THE GOLD RESERVE CLAUSE. IN ADDITION, IT WAS EXPECTED TO EMBRACE A CALL FOR A CUT IN FEDERAL SPENDING, AN INCOME TAX CUT, RESTORATION OF CURBS ON INSTALLMENT BUYING AND EXTENSION OF RENT CONTROLS BEYOND FEB. 29, THEIR PRESENT EXPIRATION DATE.

PE219PES

NIGHT LEAD FOREIGN AID

BY EDWIN B.HAAKINSON

WASHINGTON, DEC.13-(AP)-A COMPROMISE "FOREIGN AID ACT OF 1947" EMERGED FROM A SENATE-HOUSE CONFERENCE TODAY AUTHORIZING THE FULL $597,000,000 ASKED BY THE ADMINISTRATION BUT ALLOWING CHINA TO SHARE AS DEMANDED BY THE HOUSE.

THE ADMINISTRATION HAD ASKED THE $597,000,000 FOR STOP-COMMUNISM AID FOR FRANCE, ITALY AND AUSTRIA, PENDING CONSIDERATION OF THE LONG-RANGE MARSHALL PLAN FOR EUROPEAN RECOVERY. THE SENATE WENT ALONG BUT THE HOUSE CUT THE TOTAL TO $590,000,000 AND MARKED CHINA IN FOR A SHARE.

THE SENATE AND HOUSE BILLS THEN WENT TO THE JOINT CONFERENCE COMMITTEES WHICH DRAFTED THE COMPROMISE AFTER A LONG SESSION.

IT NOW GOES BACK TO SENATE AND HOUSE, WHICH ARE EXPECTED TO APPROVE IT SWIFTLY. SENATOR VANDENBERG (R-MICH), CHAIRMAN OF THE SENATE FOREIGN RELATIONS COMMITTEE, EXPRESSED HOPE THAT BOTH CHAMBERS CAN ACT MONDAY, WHICH WOULD SEND THE BILL TO THE WHITE HOUSE.

PRESIDENT TRUMAN IS EXPECTED TO SIGN PROMPTLY.

ACTUAL SUPPLIES OF FOOD, FUEL, CLOTHING AND OTHER SUPPLIES THEN COULD START MOVING TO WESTERN EUROPE BECAUSE THE BILL AUTHORIZES THE RECONSTRUCTION FINANCE CORPORATION TO ADVANCE $150,000,000 FOR THIS PURPOSE.

VANDENBERG, SPOKESMAN FOR THE SENATE-HOUSE CONFEREES, MADE IT PLAIN THAT THE ACTUAL SHARE ANY OF THE FOUR NATIONS RECEIVE WILL BE DETERMINED LATER BY AN APPROPRIATIONS BILL.

"WHATEVER CHINA GETS WILL HAVE TO COME OFF THE OTHERS," VANDENBERG SAID, DISCLOSING THAT THE CONFEREES TRIED IN VAIN TO WORK OUT A PLAN FOR HANDLING CHINESE RELIEF SEPARATELY.

MAJOR CHANGES MADE IN IRONING OUT SENATE-HOUSE DIFFERENCES WERE OUTLINED IN THIS WAY BY VANDENBERG:

1. $597,000,000 (MILLIONS) "IS THE CEILING ON AID TO THE FOUR COUNTRIES."

2. PRESIDENT TRUMAN IS DIRECTED TO RETAIN AT LEAST 150,000,000 BUSHELS OF WHEAT, FLOUR AND OTHER WHEAT PRODUCTS IN THIS COUNTRY AS A STOCKPILE OR "CARRYOVER" ON NEXT JULY 1 FOR DOMESTIC USE, UNLESS HE DETERMINES ON MARCH 1 NEXT THAT THIS IS NOT NECESSARY. THIS MODIFIED SOMEWHAT A "CARRYOVER" PROVISION INSERTED BY THE HOUSE.

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3. SO-CALLED "ANTI-COMMUNIST" PROVISIONS INSERTED BY THE HOUSE WERE ELIMINATED. ONE BARRED RELIEF FOR ORGANIZATIONS EMBRACING COMMUNISM AND THE OTHER WOULD HAVE CUT OFF AID TO ANY NATION "DOMINATED BY THE COMMUNIST PARTY OR BY THE UNION OF SOVIET SOCIALIST REPUBLICS". INSTEAD A BROAD-TERMED PROVISION ALLOWS THE PRESIDENT TO CUT OFF AID WITHOUT MENTIONING RUSSIA OR COMMUNISM BY NAME.

4. A HOUSE PROVISION ALLOWING SHIPMENT OF "INCENTIVE GOODS" WAS MODIFIED AND RETAINED. THIS WOULD ALLOW CIGARETS, SHOES, CLOTHING AND SIMILAR ITEMS TO BE SHIPPED TO INDUCE FOREIGN FARMERS AND OTHERS TO HELP RECIPIENT NATIONS BECOME SELF SUFFICIENT.

5. FRUITS, POTATOES, TOBACCO AND OTHER PRODUCTS WHICH BECOME SURPLUS IN THIS COUNTRY COULD BE MOVED UNDER THE RELIEF PROGRAM IF THE PRESIDENT APPROVED. THIS MODIFIED SIMILAR SENATE AND HOUSE PROVISIONS.

6. NATIONS RECEIVING AID WOULD BE REQUIRED TO SET UP A FUND OF LOCAL CURRENCIES TO THE AMOUNT OF THE AID. THIS FUND WOULD BE USED TO AID IN ECONOMIC RECOVERY UNDER SUPERVISION OF THE UNITED STATES.

7. A HOUSE PROVISION FOR A SPECIAL SENATE-HOUSE COMMITTEE TO WATCH ADMINISTRATION OF THE AID PROGRAM WAS ELIMINATED AS WERE A NUMBER OF SENATE PROVISIONS THAT WOULD HAVE REQUIRED SPECIAL LABELING AND IDENTIFICATION OF ALL GOODS. INSTEAD CONFEREES APPROVED PROVISIONS THAT WILL ALLOW "REPRESENTATIVES OF THE PRESS AND RADIO" OF THE UNITED STATES, GOVERNMENT OFFICIALS OR MEMBERS OF CONGRESS TO "OBSERVE AND REPORT" ON THE PROGRAM.

VANDENBERG SAID SENATORS AGREED TO RETAIN CHINA IN THE BILL BECAUSE THE "HOUSE OPENED THE DOOR AND IT WOULD BE UNCONSCIONABLE TO SLAM IT SHUT".

"TOTAL ELIMINATION OF CHINA WOULD BE TOTALLY MISUNDERSTOOD," HE SAID, ADDING THAT SENATORS WON ACCEPTANCE OF A PROVISION THAT WILL OFFSET ANY AID TO CHINA UNDER THIS BILL IF CONGRESS VOTES CHINA FUNDS UNDER A LATE PROGRAM.

HE SAID THE STATE DEPARTMENT HAS AGREED TO "BRING IN A PROGRAM" OF FURTHER AID TO CHINA AND THAT THE COMPROMISE AGREED UPON TODAY MIGHT "PEP UP" OFFICIALS DRAFTING THE PROGRAM.

HE SAID THAT IT WAS "OBVIOUSLY IMPOSSIBLE TO ASK THE GOVERNMENT OF FRANCE, WHERE THE LARGEST SINGLE PARTY IN ITS PARLIAMENT IS THE COMMUNIST PARTY," TO AGREE NOT TO USE ANY COMMUNISTS IN DISTRIBUTING THE AID.

A18WX

SENATORS AGREED TO THE "INCENTIVE PLAN" AS "AN EXPERIMENT," VANDENBERG SAID.

HE SAID THERE ARE COMPLAINTS THAT FARMERS IN FRANCE AND ITALY ARE NOT SENDING FOOD TO MARKET BECAUSE OF THE DEVALUED CURRENCY AND LACK OF NON-AGRICULTURAL GOODS TO PURCHASE.

"CIGARETS ARE THE UNIVERSAL CURRENCY IN ADDITION TO DOLLARS," VANDENBERG REMARKED.

BOTH THE SENATE AND HOUSE AGREED THAT EXISTING AGENCIES WILL BE USED TO CARRY OUT THE EMERGENCY RELIEF PROGRAM AND THAT NATIONS RECEIVING AID MUST SELL THE GOODS AT REASONABLE PRICES.

VH520PES

FIRST LEAD FOREIGN AID

WASHINGTON, DEC 13-(AP)-AN EMERGENCY FOREIGN AID BILL CARRYING THE FULL $597,000,000 (MILLIONS) ASKED BY THE ADMINISTRATION AND INFLUDING AID FOR CHINA WAS AGREED TO TODAY BY A SENATE-HOUSE CONFERENCE COMMITTEE.

CHAIRMAN VANDENBERG (R-MICH) OF THE SENATE FOREIGN RELATIONS COMMITTEE SAID THE COMPROMISE AID AUTHORIZATION MEASURE WILL BE BROUGHT UP FOR ACTION IN THE SENATE MONDAY WITH POSSIBLE HOUSE APPROVAL THE SAME DAY.

THE BILL ORIGINALLY WAS INTENDED TO PROVIDE WINTER AID FOR AUSTRIA, FRANCE AND ITALY.

VANDENBERG SAID SENATORS AGREED TO THE INCLUSION OF CHINA, AS CALLED FOR BY THE HOUSE BILL, AFTER A LENGTHY DISCUSSION.

A17OWX

THE AMOUNTS THAT ANY OF THE FOUR COUNTRIES ACTUALLY WILL RECEIVE WILL BE DETERMINED LATER BY AN APPROPRIATION BILL.

THE SENATE HAD VOTED TO AUTHORIZE THE FULL $597,000,000 ASKED BY PRESIDENT TRUMAN FOR FRANCE, ITALY AND AUSTRIA ONLY. THE HOUSE TRIMMED THIS TOTAL BY $7,000,000 AND STIPULATED THAT $60,000,000 OF THE $590,000,000 AUTHORIZED SHOULD GO TO CHINA.

BESIDES RECONCILING DIFFERENCES IN MONEY TOTALS AND INCLUSION OF CHINA, THE JOINT COMMITTEE HAD TO IRON OUT AGREEMENTS ON SEVERAL AMENDMENTS, MOST OF THEM INSERTED BY THE HOUSE.

THE JOINT COMMITTEE REPORT AGREED TO:

1. FIX THE TERMINATION DATE OF THE AID AT MARCH 31, 1948;

2. INCLUDE A PROVISION THAT REQUIRES A RESERVE OR CARRY-OVER OF 150,000,000 BUSHELS OF WHEAT AND FLOUR IN THE UNITED STATES NEXT YEAR UNLESS MR. TRUMAN DETERMINES NEXT MARCH 1 THAT THIS IS UNNECESSARY.

3. ELIMINATE DIRECT REFERENCES TO COMMUNISTS, COMMUNISM AND THE UNION OF SOCIALIST SOVIET REPUBLICS BUT ADDED A BROAD PROVISION THAT WILL ALLOW TERMINATION OF AID IN ANY COUNTRY IN WHICH THE COMMUNISTS GAIN CONTROL.

4. ALLOW THE GOVERNMENT'S COMMODITY CREDIT CORPORATION TO SUPPLY ANY SURPLUS FOODS, SUCH AS FRUITS, POTATOES, AND SOME TOBACCO, UNDER THE RELIEF PROGRAM.

5. ELIMINATE A HOUSE PROVISION WHICH WOULD HAVE SET UP A SPECIAL JOINT SENATE-HOUSE COMMITTEE TO SUPERVISE THE FOREIGN AID PROGRAM.

ANOTHER PROVISION APPROVED WILL ALLOW THE RECONSTRUCTION FINANCE CORPORATION TO ADVANCE $150,000,000 (MILLION), EVEN BEFORE AN APPROPRIATION BILL IS PASSED, TO GET THE PROGRAM STARTED AS SOON AS MR. TRUMAN SIGNS THE AUTHORIZATION LEGISLATION.

VANDENBERG TOLD REPORTERS THAT "WHATEVER CHINA GETS WILL HAVE TO COME OFF THE OTHERS" FRANCE, ITALY AND AUSTRIA.

HE SAID THIS QUESTION WILL BE DECIDED BY THE ACTUAL APPROPRIATION BILL EXPECTED TO FOLLOW PROMPTLY BUT THAT INCLUSION OF CHINA "MIGHT PEP UP THE STATE DEPARTMENT IN BRINGING IN A CHINA PROGRAM."

NOTHING IN THE AUTHORIZATION BILL DIVIDES THE FUNDS OR SPECIFIES ANY AMOUNT FOR ANY OF THE FOUR COUNTRIES.

VANDENBERG SAID SOME SENATORS THOUGHT CHINA SHOULD NOT BE INCLU-

30.24- 14229

DED IN A BILL PLANNED SPECIFICALLY FOR WESTERN EUROPEAN RELIEF BUT THAT BECAUSE THE HOUSE HAS "OPENED THE DOOR IT WOULD BE UNCONSCIENABLE TO SLAM IT SHUT."

THE SENATE LEADER EXPLAINED THAT THE SPECIFIC REFERENCES TO "COMMUNISM" WERE REMOVED BECAUSE THESE MIGHT MAKE IT IMPOSSIBLE FOR FRANCE TO BENEFIT BECAUSE COMMUNISTS ARE THE "LARGEST SINGLE PARTY IN ITS PARLIAMENT."

(NO PICKUP)

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WITH ECONOMIC

(ADVANCE) WASHINGTON, DEC.13-(AP)-REPUBLICAN SENATORS AGREE WITH ROUGHLY HALF OF PRESIDENT TRUMAN'S ANTI-INFLATION PROGRAM, A COMPARATIVE STUDY OF THEIR 10-POINT PROPOSALS REVEALED TODAY.

IN A STATEMENT OF POLICIES THEY ADVOCATE TO HOLD DOWN LIVING COSTS, THE REPUBLICAN LAWMAKERS AGREED WITH THE PRESIDENT THAT CONSUMER CREDIT CONTROLS SHOULD BE REINSTATED AND INFLATIONARY BANK CREDIT RESTRAINED.

BOTH HELD THAT IMPROPER SPECULATION ON COMMODITY EXCHANGES SHOULD BE PREVENTED.

MR.TRUMAN WANTS EXPORT CONTROLS EXTENDED AND STRENGTHENED. THE REPUBLICANS AGREED TO A YEAR'S EXTENSION OF THE CONTROLS, BUT CRITICIZED THE ADMINISTRATION FOR PERMITTING WHAT THEY CALLED "PRACTICALLY UNLIMITED EXPORT" DURING THE PAST YEAR.

THEY WERE TOGETHER ALSO ON EXTENDING CONTROLS OVER TRANSPORTATION. THIS WOULD PERMIT, AMONG OTHER THINGS, THE ALLOCATION OF BOXCARS WHERE THEY ARE MOST NEEDED.

MR.TRUMAN ASKED FOR EXTENSION AND STRENGTHENING OF THE RENT CONTROL LAW WHICH EXPIRES FEB. 29. THE REPUBLICANS FAVORED A YEAR'S EXTENSION, WITH "SUCH ADJUSTMENTS AS ARE REQUIRED TO GIVE JUST REATMENT TO TENANTS AND OWNERS ALIKE."

BOTH THE PRESIDENT AND THE REPUBLICAN SENATORS ENDORSED INCREASED SAVINGS BY THE PEOPLE AS AN ANTI-INFLATIONARY FORCE.

BUT -- POINTEDLY -- THE REPUBLICANS SPURNED THE PRESIDENT'S REQUEST FOR STAND-BY PRICE AND RATIONING AUTHORITY AT THIS TIME.

DISCUSSING THEIR PLAN TO AUTHORIZE VOLUNTARY AGREEMENTS BY BUSINESSMEN TO LIMIT INVENTORIES AND ESTABLISH PRIORITIES, THE REPUBLICANS SAID: "IF IT APPEARS THAT VOLUNTARY CONTROLS ARE INADEQUATE TO MEET SPECIFIC PROBLEMS, WE WILL CONSIDER THE GRANTING OF AUTHORITY TO MEET SUCH PARTICULAR PROBLEMS."

THE PRESIDENT CALLED FOR AN EXPANSION OF THE AGRICULTURAL CONSERVATION PROGRAM, AND MEASURES TO INDUCE THE MARKETING OF LIVESTOCK AND POULTRY AT THEIR MOST EFFICIENT WEIGHTS AND GRADES. THE REPUBLICANS ASKED SUPPORT FOR A VOLUNTARY PROGRAM TO ELIMINATE WASTE OF GRAIN AND OTHER FOOD.

MR.TRUMAN'S 10-POINT PROGRAM MADE NO MENTION OF REDUCING THE COST OF GOVERNMENT, CUTTING TAXES, AND WHITTLING DOWN THE NATIONAL DEBT. THAT WAS ONE OF THE REPUBLICAN'S FEATURED POINTS.

(ADVANCE) WASHINGTON, DEC.13-(AP)-SENATOR WILEY (R-WIS) ASKED SECRETARY OF STATE MARSHALL TODAY FOR HIS VIEWS ON THE DESIRABILITY OF SUBSIDIZING SHIPPING COSTS OF SENDING AMERICAN NEWSPAPERS AND MAGAZINES ABROAD BY AIR TO SPREAD "THE TRUTH ABOUT AMERICA."

WILEY SAID IN A LETTER TO MARSHALL THAT SUCH A PROCEDURE COULD SUPPLEMENT THE GOVERNMENT'S "VOICE OF AMERICA" INFORMATION PROGRAM.

THE DAILY NEWSPAPER, WILEY SAID, IS THE BEST SINGLE ORGAN OF PUBLICITY ABOUT AMERICA OVERSEAS. THE PROBLEM, HE ADDED, IS HOW TO GET IT DISTRIBUTED OVERSEAS.

THE WISCONSIN SENATOR SAID THE PRESENT COST OF SENDING NEWSPAPERS ABROAD BY AIR IS ALMOST PROHIBITIVE FOR ORDINARY SALE, BUT FEDERAL FUNDS MIGHT BE USED TO PAY THE TRANSPORTATION FEES.

EVEN THOUGH THE GOVERNMENT ADOPTED SUCH A SUBSIDY PROGRAM, WILEY SAID, ARRANGEMENTS WOULD HAVE TO BE MADE WITH FOREIGN COUNTRIES PERMITTING THE NEWSPAPERS AND MAGAZINES TO BE CLEARED QUICKLY AT THE CUSTOMS PORTS. AT PRESENT, THESE NOW HAVE TO WAIT SOMETIMES AS LONG AS THREE OR FOUR WEEKS FOR CLEARANCE.

"I BELIEVE THAT MERELY CONTINUING OUR PREVIOUS FOREIGN PUBLICITY EFFORTS ABROAD WILL NOT SERVE OUR PRESENT PURPOSES NOR OUR FUTURE NEEDS," WILEY WROTE MARSHALL.

"WE ARE IN A TREMENDOUS BATTLE OF IDEAS WITH A TOTALITARIAN POWER WHICH IS A PAST MASTER AT PROPAGANDA ART. WE NEED NEW DEVICES, NEW MEDIA, NEW APPROACHES TO OUR OVERSEAS INFORMATION PROGRAM.

"I DO NOT BELIEVE X X X THAT WE SHOULD TRY TO SUBSTITUTE THE PROPAGANDA OF OUR GOVERNMENT FOR THE PROPAGANDA OF THE RUSSIAN GOVERNMENT.

"ON THE CONTRARY, I BELIEVE THAT AMERICA'S GREAT PRESS WIRE SERVICES, HER LEADING MAGAZINES AND SIMILAR INSTITUTIONS CAN DO A MAGNIFICANT JOB FOR US WITHOUT INVOLVING US IN THE POSSIBILITIES OF A GOVERNMENT 'PROPAGANDA MILL' WITH A PARTISAN APPROACH."

WILEY SAID FOREIGNERS WOULD BE "INTENSELY INTERESTED IN THE NEWS ABOUT HAPPENINGS IN OUR LAND X X X AS REPORTED IN OUR GREAT DAILIES, WHETHER THEY BE THE NEW YORK TIMES, THE NEW YORK HERALD TRIBUNE, THE MILWAUKEE JOURNAL, OR OTHER PAPERS."

(END ADVANCE FOR AMS SUNDAY, DEC.14)

(ADVANCE) WASHINGTON,DEC.13-(AP)-THE REPUBLICAN HIGH COMMAND IS RENEWING ITS EFFORT TO LINK COMMUNISM AND THE DEMOCRATIC PARTY.

THE DEMOCRATIC LEADERSHIP INSISTS ITS PARTY DOES NOT WANT THE SUPPORT OF COMMUNISTS OR ORGANIZATIONS IDENTIFIED WITH THEM.

THE FRESH REPUBLICAN ACCUSATIONS ARE CONTAINED IN "THE CHAIRMAN'S LETTER," A PERIODICAL FOUR-PAGE DOCUMENT SENT OUT BY THE REPUBLICAN NATIONAL COMMITTEE TO 21,000 PARTY WORKERS AND OTHERS OVER THE SIGNATURE OF CHAIRMAN CARROLL REECE.

THE DECEMBER LETTER IS DEVOTED ENTIRELY TO A REVIEW OF THE 100-YEAR HISTORY OF THE COMMUNIST MOVEMENT. IT DECLARED THE ROOSEVELT ADMINISTRATION RECOGNIZED SOVIET RUSSIA WHEREAS PREVIOUS REPUBLICAN ADMINISTRATIONS HAD REFUSED TO ACCORD RECOGNITION. IT SAID MR. ROOSEVELT AND MR.TRUMAN "STRENGTHENED" RUSSIA'S HAND AT TEHERAN, YALTA

AND POTSDAM.

"THE RESULT OF ALL OF THESE APPEASEMENT MOVES IS THE IRON CURTAIN WHICH DIVIDES EUROPE TODAY," SAID REECE. "IT IS THERE BECAUSE A DEMOCRAT ADMINISTRATION FAILED TO EXERCISE ITS POWER TO COMPEL AGREEMENTS WHICH WOULD HAVE INSURED A STABLE AND PEACEFUL EUROPE AT THE TIME IT HAD SUCH POWER."

REECE SAID THE DEMOCRATS HAVE REFUSED CONSISTENTLY TO RECOGNIZE THE WARNINVS OF COMMUNISM BECAUSE THE PARTY "MUST RELY UPON THE SUPPORT FROM LEFT-WING ELEMENTS IF IT HOPES TO WIN A NATIONAL ELECTION."

"IT CANNOT AFFORD TO BITE ANY HAND THAT PUTS DEMOCRAT VOTES IN THE BALLOT BOXES," HE ADDED.

REECE'S OPPOSITE NUMBER FOR THE DEMOCRATS, SENATOR MCGRATH OF RHODE ISLAND, TOLD A NEWS CONFERENCE IN NEW YORK THAT THE DEMOCRATS WANT "NO TRAFFIC" WITH ORGANIZATIONS DOMINATED BY COMMUNISTS "OR SO IDENTIFIED IN THE PUBLIC MIND."

SUCH EXCHANGES HAVE BEEN A REGULAR THING SINCE THE LATE PRESIDENT ROOSEVELT RENOUNCED COMMUNIST OFFERS OF SUPPORT FOR A FOURTH TERM. MCGRATH'S PREDECESSOR AS DEMOCRATIC CHAIRMAN, ROBERT E.HANNEGAN, SAID IN THAT CAMPAIGN:

"TO THE COMMUNISTS I SAY THIS ADMINISTRATION NEITHER WANTS NOR DESERVES YOUR SUPPORT."

DEC -1947

A143WX

EARL BROWDER, LAST COMMUNIST PARTY CANDIDATE FOR PRESIDENT, POLLED ONLY 46,000 OUT OF NEARLY 50,000,000 VOTES IN 1940.

BUT THE REECE-MCGRATH STATEMENTS TOGETHER WITH OTHER POLITICAL HAPPENINGS OF THE WEEK, HAD EXPERTS WHO ARE TRYING TO FIND THE RIGHT ROAD TO 1948 ANSWERS GOING OFF ON DETOURS OF UTTER CONFUSION.

HENRY WALLACE COMES OUT FOR SENATOR TAFT (R-OHIO) OVER MR.TRUMAN IF IT'S A CHOICE BETWEEN THE TWO, SAYS A HEADLINE ONE DAY. THE NEXT DAY WALLACE SAYS HE DOESN'TBELIEVE THE RACE WILL BE BETWEEN MR.TRUMAN AND TAFT. HE BELIEVES GEN.EISENHOWER WOULD BE ELECTED IF NOMINATED BY EITHER PARTY. EISENHOWER, HE FEELS, WOULD BE "LESS OF A WAR CANDIDATE" THAN EITHER TRUMAN OR GOV.DEWEY OF NEW YORK.

EISENHOWER, WHO SAYS HE WANTS NO PART OF POLITICS, SITS IN ON A PRIVATE GATHERING OF PENNSYLVANIA REPUBLICAN LEADERS. REPORTS DIFFER AS TO WHAT HE SAID, IF ANYTHING. TAFT AND SEN.VANDENBERG (R-MICH), TWO OTHER GOP PRESIDENTIAL PROSPECTS, ATTEND. STRICTLY HUSH HUSH.

ANOTHER QUIET AFFAIR MINUS REPORTERS: DEWEY, HERE FOR THE GRIDIRON DINNER AND ITS SPARKLING DISPLAY OF 1948 TALENT, SITS DOWN WITH ABOUT 100 HOUSE REPUBLICANS FROM 24 STATES. THE NEW YORKER IS QUOTED AS HAVING SAID PRESIDENT TRUMAN IS "NOT COMPETENT TO USE THE POWERS THAT HAVE BEEN GIVEN HIM" TO HANDLE DOMESTIC PROBLEMS.

MCGRATH WOULD WELCOME THE SUPPORT OF WALLACE FOR THE DEMOCRATIC TICKET NEXT YEAR, BUT THE MAN MR.TRUMAN FIRED FROM HIS CABINET ONLY TALKS MORE OMINOUSLY OF A THIRD PARTY TICKET, MUCH TO THE DISTURBANCE OF THE DEMOCRATS AND JOY OF THE REPUBLICANS.

THESE ARE A FEW OF THE ODDS AND ENDS THAT WENT INTO THE POLITICAL POT DURING THE WEEK.

SO CONFUSED WERE THE POLITICAL FORECASTERS ON THE POTOMAC THAT ONE POLITICIAN LIKENED CURRENT HAPPENINGS TO THE TIME WHEN AMERICAN FORCES OVERRAN THE GERMAN LINES WITH SUCH SPEED THAT NO ONE KNEW WHERE THE ACTUAL FRONT RAN. #

(240) WASHINGTON,DEC.13-(AP)-JOINT USE OF HOSPITALS BY THE ARMY, NAVY AND AIR FORCE WILL BE CONSIDERED BY A HOUSE ARMED SERVICES SUBCOMMITTEE STUDYING ALL GOVERNMENT HOSPITAL FACILITIES.

CHAIRMAN SMITH (R-ME) SAID IN AN INTERVIEW TODAY SHE HOPES THE MILITARY SERVICES THEMSELVES WILL ARRANGE FOR THE COMMON USE OF EACH OTHER'S HOSPITALS AND MEDICAL SERVICES, BUT CONGRESS MAY HAVE TO REQUIRE IT DIRECTLY BY LEGISLATION.

"I THOUGHT UNIFICATION OF THE ARMED SERVICES MIGHT BRING THIS ABOUT," SHE TOLD A REPORTER, "BUT IT HASN'T. WE ARE GOING INTO THE THING FULLY."

MRS.SMITHNLAID HER SUBCOMMITTEE WILL SURVEY ALL THE HOSPITALS AND R

MRS.SMITH SAID HER SUBCOMMITTEE WILL SURVEY ALL THE HOSPITALS AND RESEARCH FACILITIES OF THE VETERANS ADMINISTRATION AND THE U.S.PUBLIC HEALTH SERVICE AS WELL AS THE ARMED SERVICES.

"WE THINK WE SHOULD GET THE WHOLE PICTURE WHILE WE ARE AT IT," SHE EXPLAINED. "THESE ARE ALL GOVERNMENT FACILITIES, AFTER ALL."

THE SUBCOMMITTEE ALSO WILL FIND OUT HOW MUCH, IF AT ALL, THE ARMY, NAVY AND AIR FORCE ARE COOPERATING ON PURCHASING OF MEDICAL SUPPLIES, MRS.SMITH SAID.

FINALLY, SHE ADDED, THE COMMITTEE WANTS TO KNOW WHETHER ALL MEDICAL RESEARCH DONE BY THE GOVERNMENT IS COMMONLY AVAILABLE TO EVERY AGENCY INTERESTED IN IT.

MRS.SMITH SAID THE NEED FOR JOINT USE OF HOSPITALS BY THE ARMED SERVICES WAS IMPRESSED ON HER WHEN SHE TRAVELED IN THE PACIFIC WITH ~~THE HOUSE NAVAL AFFAIRS COMMITTEE TWO YEARS AGO.~~ ON MANY ISLANDS, SHE SAID, THE ARMY AND NAVY BOTH HAD HOSPITALS.

"ONE WOULD BE SHORT OF NURSES, AND THE OTHER WOULD HAVE MORE THAN IT NEEDED," SHE SAID, "OR IT WOULD BE SOMETHING ELSE. IF YOU NEVER HAD BELIEVED IN UNIFICATION, YOU CERTAINLY WOULD THEN."

BY ED CREAGH — with Gridiron Dinner —

(ADVANCE) WASHINGTON, DEC. 13-(AP)-"SOME OF US," SAID THE GENTLEMAN FROM MICHIGAN, REP.HOFFMAN (R), "WOULD RATHER VISIT AND DRINK A GLASS OF BEER--ALTHOUGH I DO NOT DRINK--WITH A HIRED MAN, WITH JERSEY JOE WALCOTT, THAN KISS THE HAND OR FOOT OF AN ENGLISH LORD."

"OH, IS IT POSSIBLE THAT WE ARE SO FOOLISH, THAT WE ARE SO SHORT-SIGHTED, OR THAT WE HAVE NO MORE LOVE FOR OUR FREEDOM OR FOR OUR COUNTRY THAN TO WRECK IT FINANCIALLY? CONGRESS, BEWARE!" LAMENTED THE GENTLEMAN FROM PENNSYLVANIA, REP.RICH (R).

"A CUP OF HOT COFFEE OR A GLASS OF MILK KEEPING COMPANY WITH A SANDWICH IN THE STOMACH OF SOME HUNGRY, DISCOURAGED INDIVIDUAL WILL DO MORE TO WIN HIM OVER TO AMERICA'S POSITION THAN ALL THE SPEECHES, CANNED OR OTHERWISE," REMARKED REP.BREHM (R-OHIO).

IN OTHER WORDS, CONGRESS CAME UP WITH ALL SORTS OF ORATORY LAST WEEK AS IT STAMPED ITS APPROVAL ON A FOREIGN AID PROGRAM AND ATTENDED TO OTHER CHORES.

IT WAS A WONDERFUL WEEK FOR THOSE WHO SEEK ENTERTAINMENT ALONG

WITH ENLIGHTENMENT IN THE DOINGS OF CONGRESS.

IT WAS A WEEK THAT BROUGHT FROM REP.MCDONOUGH (R-CALIF) THE PAINED STATEMENT THAT HOLLYWOOD "IS NOT ALL THE TINSEL AND BAUBLE THAT THE PUBLIC IS LED TO BELIEVE."

WHY, SAID THE CONGRESSMAN FOR THE FILM CAPITAL, 70.1 PER CENT OF THE MOVIE PEOPLE, BY ACTUAL COUNT, HAVE NEVER BEEN DIVORCED. AND AS FOR WILD PARTIES AND HIGHLY PUBLICIZED SLUGFESTS INVOLVING THE TOUGH GUYS AND THE GLAMOR PUSSES:

"THE FAVORITE INDOOR PASTIME OF HOLLYWOOD PEOPLE," MCDONOUGH DECLARED, "IS READING!"

"ONLY A HIGHLY DURABLE TWO PER CENT," THE CONGRESSMAN ADDED, "ADMIT TO GOING OUT 'EVERY NIGHT' AND SOME OF THESE MAY REFER TO PUTTING OUT THE CAT."

THERE WAS A CERTAIN AMOUNT OF CONFUSION IN THE SENATE, INCLUDING AN AFTER-YOU-MY-DEAR-ALPHONSE EXCHANGE BETWEEN SENATORS VANDENBERG (R-MICH) AND MILLIKIN (R-COLO). THE MAN FROM COLORADO HAD A POINT WHICH HE DID NOT WISH BRUSHED ASIDE.

VANDENBERG: I AM SURE THE SENATOR DOES NOT THINK I AM LIGHTLY BRUSHING IT ASIDE.

MILLIKIN: I DO NOT THINK ANY OF US SHOULD LIGHTLY BRUSH IT ASIDE.

VANDENBERG: THE SENATOR FROM COLORADO NEVER RAISES ANY POINT WHICH I LIGHTLY BRUSH ASIDE, BECAUSE HE ALMOST ALWAYS HAS VALIDITY FOR ANYTHING HE SAYS.

MILLIKIN: I THANK THE SENATOR.

VANDENBERG: I AM SIMPLY SUGGESTING THAT WE CANNOT HAVE OUR CAKE AND EAT IT, TOO.

MILLIKIN: I SUGGEST THERE IS NO POINT IN HAVING A CAKE IF YOU DO NOT EAT IT.

VANDENBERG: AFTER YOU HAVE EATEN IT, AS I UNDERSTAND, IT HAS DISAPPEARED.

MILLIKIN: BUT IF YOU DO NOT EAT IT, WHAT IS THE USE OF HAVING IT?

VANDENBERG: WELL, THERE IT IS.

BUT THE HOUSE, WITH MORE MEMBERS TO CALL ON, EASILY BESTED THAT DIALOGUE. DEMOCRATIC WHIP MCCORMACK (MASS) ROSE TO DEMAND WHETHER THE GENTLEMAN FROM OHIO, REP.BENDER (R), WAS TALKING ABOUT HIM:

BENDER: YES, I WAS REFERRING TO MY GOOD FRIEND.

MCCORMACK: THE GENTLEMAN IS AFRAID NOW. HE SAID I WAS ABOUT TO RISE.

BENDER: WHO SAID "AFRAID?"

MCCORMACK: THE GENTLEMAN IS AFRAID OF WHAT?

BENDER: AFRAID? I AM NOT AFRAID.

MCCORMACK: THE GENTLEMAN USED THE WORD "AFRAID." I WAS WONDERING WHAT HE WAS AFRAID OF.

BENDER: I DO NOT KNOW WHAT THE GENTLEMAN IS TALKING ABOUT.

SOME OF THE POLITICKING THAT WENT ON DURING THE WEEK REMINDED REP. ROGERS (D-FLA) OF THE TWO FELLOWS WHO CAME OUT OF A CAMPAIGN RALLY.

"WELL, WHAT DO YOU THINK NOW?" ONE INQUIRED.

"THINK, H---L," WAS THE REPLY. "I DIDN'T COME HERE TO THINK. I CAME HERE TO HOLLER."

SOME REPUBLICAN OPPONENTS OF THE FOREIGN AID BILL SAID IT NEVER WOULD HAVE BEEN NECESSARY IF THE DEMOCRATS HAD KNOWN WHAT THEY WERE DOING IN FOREIGN, TO SAY NOTHING OF DOMESTIC, AFFAIRS WHEN THEY WERE IN THE DRIVER'S SEAT.

"IN THE NAME OF HIGH HEAVEN," DEMANDED REP.SHORT (R-MO), "WHERE ARE WE HEADED FOR? HAVE WE ALL GONE CRAZY? ARE MEN IN HIGH PLACES DUMB OR DISHONEST?"

BUT THE DEMOCRATIC MINORITY GOT IN ITS LICKS. REP.COOLEY (D-NC) REVIEWED AT LENGTH A BUSINESS MEN'S DINNER ATTENDED RECENTLY BY "A YOUNG POLITICIAN NAMED THOMAS E.DEWEY" WHO ADDRESSED THE DINERS AS "FELLOW VICTIMS OF THE NEW DEAL."

ESTIMATING THE AVERAGE INCOME OF THOSE PRESENT AT WELL OVER $100,000 A YEAR, COOLEY COMMENTED:

"IF I WERE ALL BRUISED UP FROM BEING A SO-CALLED VICTIM OF THE NEW DEAL, I COULD THINK OF NO BETTER CURE THAN MASSAGING MY BRUISES WITH 100,000 NICE, CRISP NEW $1 BILLS EVERY YEAR."

THE REPUBLICANS DIDN'T CARE FOR COOLEY'S REMARKS.

A139WX

"PERHAPS," SAID REP.REES (R-KAN), "THERE SHOULD HAVE BEEN NO PARTY. I DO NOT KNOW. BUT THAT IS BESIDE THE QUESTION. NO WONDER PEOPLE SAY THAT THE CONGRESS IS CONFUSED."

REP.HUBER (D-OHIO) TOLD CONGRESS HOW IT COULD MAKE SURE THAT PEOPLE GETTING AID WOULD KNOW WHERE IT CAME FROM:

"THERE MIGHT BE SOME ADVANTAGE IN LIMITING THE RELIEF SUPPLY TO ALPHABET VEGETABLE SOUP AND USING ONLY THOSE SECTIONS OF THE ALPHABET 'U.S.A.'"

OTHER NOTEWORTHY CONGRESSIONAL QUIPS OF THE WEEK:

REP.RIVERS (D-SC): "I SPENT SEVEN YEARS ON THE COMMITTEE ON NAVAL AFFAIRS AND I BELIEVE I KNOW A SHIP FROM A TRUCK."

REP.MURRAY (R-WIS): "I COME FROM THE FRESH-WATER COUNTRY. EVIDENTLY ONE HAS TO BE A SALT-WATER MAN TO KNOW WHAT'S GOING ON IN THE WORLD."

REP.RANKIN (D-MISS): "THE PRESENT PROGRAM OF ATTEMPTING TO PREVENT INFLATION BY FIXING PRICES IS JUST AS SILLY AS A DRUNK MAN TRYING TO HOLD A ONE-FOOT LID DOWN ON A FIVE-FOOT POT OF BOILING SOUP, WITH IT SPOUTING UP ALL AROUND HIM."

REP.BENDER (R-OHIO): "NOW THAT THE ONE GREAT PROBLEM BEFORE THE AMERICAN PEOPLE HAS BEEN SOLVED--THAT IS, WE HAVE LEARNED THE IDENTITY OF MISS HUSH--WE CAN THINK ABOUT THE REALLY IMPORTANT BUSINESS OF THE COUNTRY."

(END ADVANCE FOR USE IN AMS OF SUNDAY,DECEMBER 14)

FR120AES

(300) FOREIGN SCHOLARSHIPS

WASHINGTON,DEC.13-(AP)-A BOARD OF EDUCATORS NAMED BY PRESIDENT TRUMAN SET UP MACHINERY TODAY TO START SELECTING THOUSANDS OF STUDENTS EXPECTED TO ATTEND FOREIGN UNIVERSITIES WITH EXPENSES PAID BY SALE OF AMERICAN WAR SURPLUS ABROAD.

THE BOARD OF FOREIGN SCHOLARSHIPS, APPOINTED IN JULY, PICKED THREE EDUCATIONAL ORGANIZATIONS TO MAKE PRELIMINARY SELECTIONS OF STUDENTS TO BENEFIT FROM THE 1946 FULBRIGHT ACT.

THE LEGISLATION AUTHORIZES AN OUTLAY WITHIN THE NEXT TWO DECADES OF MORE THAN $140,000,000 FROM THE PROCEEDS OF SURPLUS SALES FOR EDUCATIONAL EXCHANGES WITH FOREIGN COUNTRIES. SEN.FULBRIGHT (D-ARK), ITS SPONSOR, TOLD THE BOARD THAT IN TERMS OF LONG RANGE BENEFITS, THE EXCHANGE WOULD DO MORE FOR INTERNATIONAL UNDERSTANDING "THAN A MARSHALL PLAN OR ANY OTHER KIND OF AID."

OFFICIALS SAID THE FIRST CONTINGENT OF AMERICAN STUDENTS WOULD LEAVE FOR OVERSEAS STUDIES PROBABLY IN FEBRUARY.

THE BOARD NAMED FRANCIS TROW SPAULDING, NEW YORK STATE COMMISSIONER OF EDUCATION AS ITS FIRST CHAIRMAN. HELEN CONSTANCE WHITE, UNIVERSITY OF WISCONSIN ENGLISH PROFESSOR, WAS NAMED VICE CHAIRMAN OF THE BOARD.

THE BOARD WILL MAKE THE FINAL SELECTIONS BUT NAMED THESE ORGANIZATIONS TO MAKE PRELIMINARY SCREENINGS OF APPLICANTS:

INSTITUTE OF INTERNATIONAL EDUCATION, TO PASS ON STUDENTS TO BE CHOSEN THROUGH REGIONAL COMMITTEES TO INSUR FAIR DISTRIBUTION; U.S. OFFICE OF EDUCATION TO SCREEN ELEMENTARY, SECONDARY AND JUNIOR COLLEGE TEACHERS; CONFERENCE BOARD OF ASSOCIATED RESEARCH COUNCILS, TO SCREEN PROFESSORS, RESEARCH WORKERS AND SPECIALISTS.

THE GROUP RECEIVED FROM FRANCIS COLLIGAN OF THE STATE DEPARTMENT A REPORT OF PROSPECTS FOR EXCHANGES WITH SEVEN EUROPEAN COUNTRIES HE HAS JUST SURVEYED AT FIRST HAND.

SOME 22 NATIONS ARE ELIGIBLE AND ARE EXPECTED TO TAKE PART IN THE STUDENT EXCHANGE. ONLY CHINA HAS COMPLETED ALL PRELIMINARIES, BUT DRAFT AGREEMENTS ARE UNDER STUDY BY BURMA, THE PHILIPPINES, ITALY, NEW ZEALAND, GREECE, EGYPT AND BELGIUM.

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FIRST LEAD EISENHOWER (350)

NEW YORK, DEC. 13-(AP)-GENERAL OF THE ARMY DWIGHT D.EISENHOWER SAID TONIGHT THE MAINTENACE OF A "STRONG AND HEALTHY" ARMY NOW WOULD HASTEN THE DAY WHEN AN ARMY NO LONGER WOULD BE NEEDED.

THAT TIME WILL COME, HE ADDED, "WHEN TRUE PEACE HAS BEEN ACHIEVED."

EISENHOWER SPOKE AT THE 49TH ANNUAL DINNER OF THE PENNSYLVANIA SOCIETY, WHICH PRESENTED HIM WITH THE ORGANIZATION'S GOLD MEDAL AWARD IN RECOGNITION OF HIS "LEADERSHIP IN DEFENSE OF CIVILIZATION AND VAST CONTRIBUTION TO THE PRESERVATION OF AMERICAN LIBERTY."

AFTER A BRIEF RESPONSE, THE GENERAL RETURNED TO HIS SEAT AND THOMAS I.PARKINSON, PRESIDENT OF THE SOCIETY AND TOASTMASTER, SAID TO THE AUDIENCE:

"DO YOU WONDER THAT WE ARE HAPPY THAT HE IS TO BE THE NEXT PRESIDENT--"

PARKINSON PAUSED SLIGHTLY, AND THE DINNER GUESTS ROSE TO THEIR FEET APPLAUDING, AS PARKINSON SHOUTED ABOVE THE OUTBURST:

"--OF COLUMBIA UNIVERSITY. I SAID 'OF COLUMBIA UNIVERSITY.'"

AN ESTIMATED 1,500 PERSONS, MANY OF THEM RESIDENTS OF THE KEYSTONE STATE, ATTENDED THE DINNER, AT THE WALDORF ASTORIA.

IN HIS REMARKS, EISENHOWER SAID THAT THE CONTINUED WELFARE OF THE ARMY IS ESSENTIAL TO THE MAINTENANCE OF ORDER AT MANY "FAR-FLUNG STATIONS" WHERE THERE MIGHT BE "DISORDER, ANARCHY AND CHAOS" IF AMERICAN FORCES WERE WITHDRAWN.

REP.CHARLES A.HALLECK (R-IND) TOLD THE GROUP THAT THE "FEDERAL GOVERNMENT HAS BEEN INTRUDING INTO GOVERNMENTAL AREAS FORMERLY CONTROLLED AND PROPERLY BELONGING TO THE STATES."

HE DESCRIBED "CENTRALIZATION OF POWER IN WASHINGTON" AS A "MENACE TO ONE FORM OF GOVERNMENT AND TO OUR WHOLE ECONOMY."

"IF THIS PROCESS OF CENTRALIZATION OF GOVERNMENT IS PERMITTED TO CONTINUE UNCHECKED,"

TO OUR FORM OF GOVERNMENT AND TO OUR WHOLE ECONOMY."

"IF THIS PROCESS OF CENTRALIZATION OF GOVERNMENT IS PERMITTED TO CONTINUE UNCHECKED," HE SAID, "THE STATES WILL BECOME LITTLE MORE THAN CONVENIENT GEOGRAPHIC BOUNDARIES, AND OUR PEOPLE WILL HAVE LOST THEIR CAPACITY FOR SELF-GOVERNMENT."

THE MEDAL WAS PRESENTED TO EISENHOWER BY SEN. EDWARD MARTIN (R-PA) WHO SAID OF THE GENERAL THAT "VICTORY FOR CIVILIZATION WAS FABRICATED OUT OF HIS GENIUS FOR ORGANIZATION, PLANNING, COOPERATION, AND HIS INSPIRING LEADERSHIP."

MARTIN, IN MAKING HIS PRESENTATION SPEECH, GAVE A BRIEF BIOGRAPHICAL SKETCH OF EISENHOWER, BOASTING "OF HIS PENNSYLVANIA DUTCH BACKGROUND AND THE GOD-FEARING PENNSYLVANIA PIONEERS WHO WERE HIS FOREBEARS."

"THE BOYS FROM THE HUMBLE EISENHOWER HOME IN ABILENE, KANSAS," MARTIN SAID, "MAY BE POINTED TO AS OUTSTANDING PRODUCTS OF THIS GREAT AMERICAN ASSET (EQUAL OPPORTUNITY). DWIGHT EISENHOWER AND HIS BROTHERS, WITHOUT INFLUENCE OR SOCIAL POSITION, SOLELY BY THEIR OWN EFFORTS AND ABILITY, AND THE INSPIRATION OF DEVOUT, GOD-FEARING PARENTS, GAINED DISTINCTION IN A WIDE VARIETY OF CAREERS."

"IF AMERICA IS TO ATTAIN SPIRITUAL LEADERSHIP IN A WORLD OF PEACE AND GOOD WILL WE MUST STRENGTHEN THE MORAL FIBER OF OUR PEOPLE," HE SAID. "WE MUST RENEW OUR SPIRITUAL STRENGTH BY HARD WORK, THRIFT, HELPFULNESS, TOLERANCE AND LOVE OF GOD.

"THOSE QUALITIES GUIDED BWIGHT EISENHOWER TO BRILLIANT SUCCESS. WE CAN BE BETTER AMERICANS BY FOLLOWING HIS STIRRING EXAMPLE."

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"THOSE QUALITIES GUIDED DWIGHT EISENHOWER TO BRILLIANT SUCCESS. WE CAN BE BETTER AMERICANS BY FOLLOWING HIS STIRRING EXAMPLE."

HALLECK, THE HOUSE MAJORITY LEADER, SAID THAT "THROUGH THE POLITICAL INFLUENCE OF FEDERAL EMPLOYES, THE MONEY POWER OF FEDERAL DISPENSING AGENCIES, AND THE PUNITIVE AND ADMINISTRATIVE POWER OF CENTRALIZED BUREAUCRACY, THE STATES AND LOCAL COMMUNITIES AND THE INDIVIDUAL CITIZEN ARE HELD IN A SORT OF BONDAGE REPUGNANT TO OUR IDEAL OF FREE GOVERNMENT."

HE SAID THAT IN THE LAST 14 YEARS THE FEDERAL GOVERNMENT HAS EXPANDED FROM 521 AGENCIES AND BUREAUS TO 1,141, AND THE NUMBER OF

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EMPLOYES INCREASED FROM 582,000 TO 2,000,000, OF WHM "ONLY 533 ARE ELECTED BY THE PEOPLE."

"OUR AMERICAN WAY OF LIFE," HE DECLARED, "AS MOST OF US UNDERSTAND IT, DEPENDS IN LARGE MEASURE ON LOCAL HOME RULE. X X X THE INEVITABLE END RESULT OF THE CENTRALIZATION PROCESS IS A GOVERNMENT BY MEN, BY PROPAGANDA, A GOVERNMENT ARBITRARY, WASTEFUL AND EXTRAVAGANT. THE GOVERNMENT BECOMES THE MASTER OF THE PEOPLE."

AMONG THOSE WHO ATTENDED THE DINNER WERE GOV.JAMES H.DUFF, AND LT.-GOV.DANIEL B.STRICKLER, OF PENNSYLVANIA; DAVID L.LAWRENCE, MAYOR OF PITTSBURGH AND FORMER DEMOCRATIC STATE CHAIRMAN; GEORGE W.MAXEY, CHIEF JUSTICE OF THE PENNSYLVANIA STATE SUPREME COURT; SEN.FRANCIS J. MYERS (D-PA) AND DR.GEORGE W.MC CLELLAND, PRESIDENT OF THE UNIVERSITY OF PENNSYLVANIA.

IN A BRIEF CEREMONY, MAYOR CLARENCE J.LONZER, OF HAZLETON, PA., PRESENTED HIS CITY'S FLAG TO THE ASSOCIATION, TO JOIN THE FLAGS OF TEN OTHER PENNSYLVANIA CITIES WHICH THE ORGANIZATION ALREADY HAS.

VS1235AES

NEW YORK, DEC. 13-(AP)-HOWARD FAST, NOVELIST BARRED FROM ADDRESSING STUDENT ORGANIZATIONS ON THE CAMPUSES OF FOUR NEW YORK CITY COLLEGES, HAS NEW YORK UNIVERSITY'S PERMISSION TO SPEAK AT A STUDENT MEETING NEXT THURSDAY.

THE AUTHOR OF "CITIZEN TOM PAINE," WHO IS APPEALING A THREE-MONTH JAIL SENTENCE AND FINE FOR CONTEMPT OF CONGRESS, WAS BANNED RECENTLY FROM SPEAKING AT COLUMBIA UNIVERSITY AND HUNTER, BROOKLYN AND CITY COLLEGES.

THE DECISION TO PERMIT FAST TO KEEP HIS N.Y.U. ENGAGEMENT BEFORE STUDENT MEMBERS OF THE YOUNG PROGRESSIVE CITIZENS OF AMERICA WAS ANNOUNCED YESTERDAY BY DEAN THOMAS C. POLLOCK OF THE UNIVERSITY'S WASHINGTON SQUARE COLLEGE. HE SAID HE GAVE HIS APPROVAL AFTER AN "OFFICIALLY RECOGNIZED GROUP OF STUDENTS" REQUESTED THAT THE AUTHOR BE PERMITTED TO ADDRESS THEM. DR. POLLOCK ADDED:

"I DEPLORE THE ATTITUDE OF MEN WHO ATTACK ONE DEMOCRATIC INSTITUTION, THE CONGRESS OF THE UNITED STATES, WHILE THEY USE THE UTMOST THE SHELTER OF ANOTHER DEMOCRATIC INSTITUTION, THE AMERICAN TRADITION OF FREE SPEECH.

"HOWEVER, A TEACHER IN THE COLLEGE WHO IS IN A SIMILAR POSITION IS BEING ACCORDED FULL ACADEMIC FREEDOM."

MEANWHILE COLUMBIA OFFICIALS, WHO SAID THEY BANNED FAST UNDER A CUSTOM DENYING THE CAMPUS TO SPEAKERS UNDER INDICTMENT, WERE URGED BY THE INSTITUTION'S STUDENT COUNCIL, TO RECONSIDER ITS ACTION.

OFFICIALS OF HUNTER COLLEGE ANNOUNCED YESTERDAY THAT FAST OULD NOT BE PERMITTED TO ADDRESS YPCA MEMBERS ON THE HUNTER CAMPUS "BECAUSE THE POLICY OF THE COLLEGE DOES NOT PERMIT A PERSON UNDER CITATION FOR CONTEMPT OF COURT TO SPEAK UNTIL THE MATTER IS SETTLED."

FAST WAS CONVICTED WITH OTHER MEMBERS OF THE JOINT ANTI-FASCIST REFUGEE COMMITTEE FOR REFUSING TO SUBMIT THE COMMITTEE'S RECORDS TO THE HOUSE UNAMERICAN ACTIVITIES GROUP.

JR727AES

NEW YORK, DEC.13-(AP)-EXPANSION OF THE BOARD OF DIRECTORS OF THE FOREIGN POLICY ASSOCIATION AS PART OF ITS PROGRAM "IN GETTING THE PUBLIC TO TAKE THE INITIATIVE IN THE FORMULATION OF AN INTELLIGENT FOREIGN POLICY FOR AMERICA" WAS ANNOUNCED TODAY.

BROOKS EMENY, PRESIDENT OF THE ASSOCIATION AND OF THE CLEVELAND COUNCIL ON FOREIGN AFFAIRS, IN ANNOUNCING NEW MEMBERS OF THE BOARD AT THE ANNUAL MEETING OF THE ASSOCIATION, SAID "NO LONGER IS IT SUFFICIENT FOR THE RELATIVELY FEW TO TAKE AN INTEREST IN FOREIGN POLICY WHILE THE GREAT NUMBER GO ABOUT THE BUSINESS OF DAILY LIFE."

NEW BOARD MEMBERS NAMED WERE: DISTRICT JUDGE LAWRENCE G.BROOKS OF BOSTON; CHANDLER BULLOCK OF WORCESTER,MASS.; CLAYTON FRITCHEY OF NEW ORLEANS; PROFESSOR W.LEON GODSHALL OF BETHLEHEM,PA.; EDWARD S.MORRIS OF PHILADELPHIA; IRVING T.RUNEY OF ELMIRA,N.Y., HAROLD E. WOOD OF ST.PAUL,MINN.

THE FOREIGN POLICY ASSOCIATION IS A NON-PROFIT MEMBERSHIP ORGANIZATION DEVOTED TO OBJECTIVE RESEARCH IN INTERNATIONAL RELATIONS AND FACTUAL POPULAR EDUCATION IN AMERICAN FOREIGN POLICY. IT IS NOT CONNECTED WITH THE GOVERNMENT AND DOES NOT PROMOTE ANY PARTICULAR POINT OF VIEW OR POLICY.

EZ940AES

NEW YORK, DEC 13-(AP)-FORMATION OF THE NATIONAL CATHOLIC RESETTLEMENT COUNCIL TO PROMOTE THE ADMISSION AND SETTLEMENT OF EUROPEAN DISPLACED PERSONS HERE WAS ANNOUNCED YESTERDAY BY THE RT. REV. MONSIGNOR EDWARD E. SWANSTROM, EXECUTIVE DIRECTOR OF WAR RELIEF SERVICES FOR THE NATIONAL CATHOLIC WELFARE CONFERENCE.

THE RESETTLEMENT COUNCIL, THE MONSIGNOR SAID, WILL SET UP SPECIAL RESETTLEMENT COMMITTEES IN THE 118 CATHOLIC DIOCESES OF THE U.S. TO HELP DISPLACED PERSONS FIND EMPLOYMENT AND ADJUST THEMSELVES TO AMERICAN LIFE.

CREATION OF THE NEW AGENCY GREW OUT OF A RESOLUTION ADOPTED AT THE ANNUAL MEETING OF THE ADMINISTRATIVE BOARD OF CATHOLIC BOSHOPS IN WASHINGTON LAST MONTH.

M345AES

NEW YORK, DEC. 13-(AP)-"WHAT WE DO UNDER THE MARSHALL PLAN IS A GAMBLE," SENATOR LUCAS (D-ILL) SAID TODAY.

BUT AMERICA CAN NOT AFFORD TO DO NOTHING AND LET "COMMUNISM RUN ITS UNGODLY AND UGLY COURSE THROUGHOUT EUROPE AND ASIA," HE ADDED.

IN A SPEECH BEFORE THE HUDSON COUNTY BAR ASSOCIATION OF NEW JERSEY LUCAS SAID "IT IS AMAZING AND FANTASTIC TO KNOW THAT IN THIS COUNTRY MANY ISOLATIONISTS ARE AGREEING WITH COMMUNISTS IN THEIR OPPOSITION TO THIS PROGRAM."

"THEY ARE EITHER AGAINST ANY RELIEF AT ALL, OR DESIRE TO SEE THE APPROPRIATION REDUCED TO THE POINT WHERE IT WOULD BE WORSE THAN NO APPROPRIATION AT ALL," HE ADDED. "TOO LITTLE AND TOO LATE MAY PLUNGE ALL EUROPE INTO ECONOMIC CHAOS AND DISASTER, AND THAT MEANS COMMUNISTIC DOMINATION OF THAT CONTINENT.

"ANY AMERICAN WHO FAILS TO COMPREHEND THE GRIM IMPLICATIONS

OF SUCH A COMMUNISTIC VICTORY," HE CONTINUED, "IS PLAYING FAST AND LOOSE WITH THE FUTURE OF THIS COUNTRY."

LUCAS SAID THE MARSHALL PLAN IS "NOT A ONE-WAY STREET."

"IT IS A PLAN FOR THE MUTUAL BENEFIT OF ALL. WHILE WE SHALL LOAN TO THESE NATIONS SOME $16,000,000,000 (BILLION) TO $20,000,000,000 (BILLION) OVER A PERIOD OF FOUR YEARS, IT WILL NOT BE A PROGRAM OF WASTE AND EXTRAVAGANCE. THE CONGRESS WILL ENACT LEGISLATION TO SEE THAT THIS MONEY IS NOT FRITTERED AWAY," HE SAID.

LUCAS SAID THE "SAVAGE ATTACK MADE BY THE COMMUNISTS ON OUR EUROPEAN POLICY IS THE BEST EVIDENCE OF THE CORRECTNESS OF THAT POLICY."

"THE MEN OF THE KREMLIN," HE CONTINUED, "UNDERSTAND PERHAPS BETTER THAN WE POSSIBLY CAN THAT A EUROPE WHICH CAN REGAIN ITS FEET AND RESUME ITS PLACE IN THE ECONOMY OF THE WORLD, WILL NOT FALL A PREY TO COMMUNISM.

"WHEN RUSSIA IS FIRMLY CONVINCED OF THIS ALL-IMPORTANT FACT, MOLOTOV MAY BE GLAD TO TALK TO MARSHALL, AND MAY EVEN CONTEMPLATE TALKING TO GOD."

VS1200AES

(ADVANCE) PARKERSBURG, W.VA., DEC 13-(AP)-SEN.KILGORE (D-WVA) SAID TONIGHT DIFFERENCES BETWEEN THE UNITED STATES AND RUSSIA ARE "GREAT" BUT "I DO NOT BELIEVE THEY WILL RESULT IN AN IRREPARABLE SPLIT BETWEEM THE EAST AND THE WEST."

IN AN ADDRESS PREPARED FOR A "PEACE WEEK" DINNER OF THE AMERICAN VETERANS OF WORLD WAR II (CAPS), THE WEST VIRGINIAN SAID THE RUSSIANS "KNOW ALL OF US LIVE IN ONE WORLD IN THIS ATOMIC AGE.

"THEY KNOW WORLD PROSPERITY WILL REQUIRE THE FLOW OF COMMERCE BETWEEN ALL MAJOR NATIONS. I DO NOT BELIEVE THEIR RULERS WILL BE FOOLISH ENOUGH TO PLUNGE THE WORLD INTO A DISASTROUS ATOMIC WAR."

KILGORE SAID THERE ARE TWO FALLACIES WHICH THREATEN PEACE:

"...THE BELIEF THAT WE SHOULD-TRY TO IMPOSE CAPITALISM ON THE REST OF THE WORLD. THERE ARE NOT ENOUGH MATERIALS, DOLLARS OR EQUIPMENT LEFT IN THE WORLD FOR THE NATIONS TO SURRENDER THEIR LIMITED RESOURCES TO PRIVATE DECISIONS.

"...THE BELIEF THAT FASCISM IS DEAD. THE SEEDS LIE IN SOCIAL HATRED AND ECONOMIC CHAOS.

"I BELIEVE THOSE PERSONS WHO ARE SAYING THE MARSHALL PLAN WOULD COST TOP MUCH SHOULD ASK THEMSELVES THIS QUESTION: 'CAN WE AFFORD TO TURN DOWN THE MARSHALL PLAN?'"

TACOMA, WASH., DEC. 13-(AP)-AN INCREASE IN THE $300,000,000 AID PROGRAM TO GREECE TO GIVE MILITARY HELP TO GREEK GOVERNMENT FORCES FIGHTING COMMUNIST-LED GUERRILLAS IS UNDER "SERIOUS CONSIDERATION" BY THE STATE DEPARTMENT, GEORGE C.MCGHEE (CAP G), COORDINATOR OF AMERICAN AID TO GREECE AND TURKEY, SAID LAST NIGHT.

HE SPOKE BEFORE THE TACOMA WORLD AFFAIRS COUNCIL AT THE COLLEGE OF PUGET SOUND.

HE MADE NO ESTIMATE OF THE ADDITIONAL AMOUNT THE ADMINISTRATION MIGHT ASK OF CONGRESS. THE MARSHALL PLAN, HE SAID, CAN TAKE CARE OF GREECE'S ECONOMIC NEEDS BUT NOT THE "EQUALLY IMPORTANT" MILITARY REQUIREMENTS.

"COMMUNIST NATIONS ARE FULLY AWARE OF THE IMPORTANCE TO THE DEMOCRACIES OF A FREE GREECE," MCGHEE SAID. "THEY ARE AWARE THAT SO LONG AS GREECE REMAINS FREE THE SPREAD OF COMMUNISM THROUGHOUT EUROPE AND THE MIDDLE EAST WILL BE IMPEDED.

"THEY ARE ALSO X X X DETERMINED IN THEIR EFFORTS TO IMPOSE UPON THE GREEK PEOPLE A TOTALITARIAN GOVERNMENT ALIGNED WITH INTERNATIONAL COMMUNISM."

(ADVANCE) DES MOINES, DEC.13-(AP)-A STATEWIDE DRIVE TO COLLECT $500,000 IN CASH, CORN OR OTHER ARTICLES FOR EUROPEAN RELIEF IS TO BE CONDUCTED IN IOWA CHRISTMAS WEEK.

THE "CHRISTIAN CHRISTMAS" CAMPAIGN IS TO BE CARRIED OUT DEC.22, 23 AND 24 UNDER SPONSORSHIP OF THE IOWA FARM BUREAU FEDERATION WITH EACH COUNTY FARM BUREAU CONDUCTING ITS OWN DRIVE.

THE CAMPAIGN CALLS FOR A CARLOAD OF CORN OR ITS EQUIVALENT FROM EACH OF IOWA'S 99 COUNTIES. SOME COUNTIES PLAN INSTEAD OF CORN TO COLLECT CLOTHING OR CASH OR OTHER ARTICLES.

WHATEVER IS COLLECTED IS TO BE CONVERTED INTO CASH AND DISTRIBUTED OVERSEAS BY CHURCH AGENCIES. THE COMMITTEE FIGURES THE VALUE OF A CARLOAD OF CORN AT APPROXIMATELY $5,000.

THE FARM BUREAU'S STATE OFFICE SAID THE FOLLOWING CHURCH AGENCIES WOULD DISTRIBUTE THE FUNDS: AMERICAN FRIENDS SERVICE COMMITTEE; CHURCH WORLD SERVICE, INC.; WAR RELIEF SERVICE, AND LUTHERAN WORLD RELIEF, INC.

End December 13, 1947

30.24- 14235

Soviet Devalues Currency To Fight Rising Inflation; Abandons Food Rationing

NEW EDICT HITS AT SPECULATORS AND PROFITEERS

Some Prices 10 to 15 Times Their Prewar Levels, Moscow Admits.

CONTROLS ORDERED

Consumer Goods Are Placed Under Unified Price Schedule.

MOSCOW, Dec. 14—(AP) The Soviet Union announced tonight it would begin issue of new currency on Tuesday and simultaneously abandon all food rationing in a program to combat inflation.

The announcement was made to the nation by the Moscow radio in a decree of the Council of Ministers (cabinet) and the Communist party. It was signed by Prime Minister Stalin and Andrei Zhdanov of the Communist party central committee.

(The action by the Soviet government was the first admission that post-war inflation had affected the controlled Russian economy. It followed by 10 days the statement in Washington by Undersecretary of State Robert Lovett that something "in the nature of panic buying" had hit Russia over rumors of devaluation of the ruble).

The decree for currency reform provides that rubles brought to banks for conversion will be exchanged at the rate of 10 for one new ruble. The exchange must take place in the week Dec. 16-22.

Food Rationing to End

Rationing was ordered abolished on all "food and industrial goods" and consumer goods were brought under unified price control. The price of bread under the new program will be 12 per cent lower than the ration price, the announcement said. Beer will be 10 per cent lower, but vodka and wine were unchanged from the present ration price.

The object of the new program is to combat inflation and speculation which had increased market prices of some commodities to 10 or 15 times their prewar levels, the announcement added.

Abolition of rationing was received with expressions of joy by the citizens of Moscow. Yuri Levitan, the announcer who broadcast all the nation's important war communiques, read the decree affecting every one of the Soviet Union's 200,000,000 inhabitants.

In Moscow hundreds gathered at loudspeakers in public places to listen. When the import of the news dawned upon them they pounded each other on the back, shook hands and met in groups to discuss the developments.

In addition to the 12 per cent reduction for bread and flour, a 10 per cent cut will take place in cereals and macaroni from the present ration price. Meat, fish, fats, sugar, confectionary goods, salt, potatoes and vegetables will remain at the present ration price.

Tea, milk and certain other items were increased over their present "too low" ration price, but reduced well below the prices charged in the unrationed "commercial" stores.

(The dispatch gave no specific prices for any item).

Wages Untouched

All wages and salaries were untouched by the currency reform. All institutions were ordered to pay their employes wages and salaries for the first half of December between Dec. 16 and 20, thus assuring everyone of having enough currency to make an adjustment from the old to the new system.

The currency reform affects those with bonds, savings accounts and cash. Those who present cash for exchange will receive one new ruble for 10 old ones regardless of the size of the sum they exchange.

Bank deposits up to 3,000 rubles will be exchanged on a one-for-one basis; accounts up to 10,000 rubles will be exchanged at a rate of one-to-one for the first 3,000 rubles and the remainder on a basis of two new rubles for three old; deposits of over 10,000 rubles will be exchanged at the rates for the first 10,000 rubles and the remainer on a basis of one new ruble for two old.

Holders of ordinary state bonds will receive new bonds with a face value of one ruble for each three rubles of face value of the old bonds. Holders of the 1938 issue of state bonds, which were fully redeemable at any time, will receive one new ruble for each five of face value.

Thus, savings bank depositors with moderate deposits will fare the best under the reform and those who kept their cash in pocket are the chief losers.

A radio broadcast by the Moscow radio announcing the new currency reform and the end of rationing was the first official mention of inflation and speculation in the Soviet Union, although a hint that rationing would be abolished was made Dec. 9 by Georgi Malenkov, a member of the politburo.

The old ruble was held at 5.3 to the dollar in foreign exchange. The diplomatic exchange rate, at which diplomats change their money, was 12 rubles to the dollar.

The broadcast said the Soviet economy was so seriously inflated that some goods were selling for 10 to 15 times their prewar prices. It blamed the inflation on wartime monetary issues and a flood of false rubles loosed by the invading German armies.

Aimed at Speculators

It added that the decree was aimed at speculators, who have been "accumulating great amounts of money, aiming at profits at the expense of the population."

"It is intolerable that the speculative elements who enriched themselves during the war, and accumulated considerable sums of money, should have an opportunity to buy up goods after abolition of the rationing system," the broadcast said.

The broadcast said that, effective Tuesday, food and industrial goods will be sold without ration cards. Unified state retail prices will replace those charged in "ration" stores and in "commercial" stores, where unrationed goods have been sold at higher prices than in ration stores.

The decree estimated that the price of bread would be reduced by an average of 12 percent and those of cereals by 10 percent.

"It is necessary for the population to bear part of the sacrifices," the broadcast said, "all the more so since it will be the last sacrifice." It described the abolition of rationing as creating "great material advantages" for the population.

'Izvestia' Says Wallace May Lead Third Party

MOSCOW, Dec. 14 (AP).—"Izvestia," government newspaper, stressed today the possibility of a third party in the 1948 election in the United States with former Vice-President Henry A. Wallace as the Presidential candidate.

A Tass dispatch dated Dec. 12, but printed only today devoted considerable space to statements by Representative Vito Marcantonio, American Labor party, of New York, and said Representatives W. Bryan Dorn, Democrat, of South Carolina, and Everett Dirksen, Republican, of Illinois, had made "threatening statements" in advocating a strong air force for the United States.

The dispatch said a third party headed by Mr. Wallace would be supported in any election by "strong progressive forces."

Tass said the progressives had had successes in the recent Chicago elections.

Moscow Statement on Revaluation of Ruble and End of Rationing in Soviet Union

LONDON, Dec. 14 (AP)—Following is the text of the Soviet decree on devaluation of the ruble and the abolition of rationing, broadcast in Russian by the Moscow radio and translated in London by the Soviet Monitor:

Decree of the Council of Ministers of the U.S.S.R. and the Central Committee of the Communist party on currency reform, and on abolition of ration cards for food and industrial goods.

At the present time the Soviet state faces the task of carrying out a currency reform for the purpose of strengthening the exchange rate of the ruble as well as the abolition of the supplies rationing system, and of proceeding to expanded trade at unified state prices.

The great patriotic war of 1941-1945 demanded the exertion of all efforts by the Soviet people and the mobilization of the country's whole material resources.

During the years of the patriotic war the expenditure of the Soviet state on maintenance of the Army and on development of the war industry sharply rose. The enormous war expenditure demanded the issue for circulation of great amounts of money.

The amount of money in circulation has considerably increased, as happened in all states taking part in the war. Simultaneously, the production of goods intended for consumption by the population decreased, and retail goods turnover was cut down considerably.

In addition, as is known, during the patriotic war the German and other invaders issued false money in rubles in large quantities on temporarily occupied Soviet territory, which still further increased the surplus of money in the country and polluted our monetary circulation.

As a result of the above, more money came into circulation than necessary for national economy. The purchasing power of money decreased, and special measures are now necessary for strengthening the Soviet ruble.

Despite the wartime conditions, the Soviet Government throughout the war succeeded in preserving unaltered the pre-war state prices for rationed goods, insuring this by the introduction of a rationing system for supplies of food and industrial goods.

Role of the Speculators

However, the decrease in state and cooperative trade with consumer goods, and the population's increased demand in the collective-farm markets, led to an acute increase in market prices, which in some periods exceeded prewar prices by ten or fifteen times.

Of course, speculative elements made use of the existence of a great gap between state prices and market prices, as well as of the presence of masses of false money, for the purpose of accumulating great amounts of money, aiming at profits at the expense of the population.

At present, when the transfer to open trade with unified prices has become the task of the day, the great amount of money issued during the war hampers the abolition of the rationing system, since the surplus money in circulation inflates market prices, creates an increased demand for goods and increases the opportunities for speculation.

It is also intolerable that the speculative elements who enriched themselves during the war, and accumulated considerable sums of money, should have an opportunity to buy up goods after the abolition of the rationing system.

The Council of Ministers of the U.S.S.R. and the Central Committee of the Communist party of the Soviet Union have, therefore, decided to carry out a currency reform which provides for the issue for circulation of new money of full value, and the withdrawal from circulation of false money as well as of money not of full value.

Details of the Program

This reform will be effected on the following basis:

(1) The exchange of money at present in circulation and of cash in hand for new money will be carried out with limitations; namely, 10 rubles in old money for one ruble in new money.

(2) Deposits of money in savings banks and the state bank will be revalued at more favorable terms than the exchange of cash. Thus, deposits up to 3,000 rubles will be revalued at one ruble for one ruble. This means that deposits belonging to the overwhelming majority of depositors are preserved in their previous value.

(3) A conversion of all previously issued loans will be carried out, with the exception of the loan of 1947. Loans issued previously are merged into a unified loan, the exchange to be effected on the basis of three rubles in previous loans for one ruble in the new unified loan; that is, on the basis of a more advantageous rate than the exchange of cash money.

The Council of Ministers and the Central Committee of the Communist party proceeds from the task of in every way protecting the savings which the population lent to the state.

One cannot, however, leave out of consideration the fact that a considerable part of the state debt on loans was created during the war, when the purchasing capacity of money fell, and moreover that after the currency reform the state will repay that debt with full value rubles.

(4) While the currency reform is being effected, the wages of workers and employes, as well as the income of peasants from state deliveries and other labor income of all sections of the population, will not be affected by the reform but will be paid out in the new money at the previous rates.

The carrying out of currency reform is a usual matter in all states after great wars. However, the carrying out of currency reform in our country is radically different from currency reforms in capitalist countries.

The liquidation of the aftermath of war and the currency reform in capitalist countries is accompanied by large increases in prices on consumer goods, and consequently by a decrease in the real wages of workers and employes, a reduction in the number of employed workers and employes, and an increase in the army of unemployed.

Thus the capitalist states shift the main burden of the aftermath of war and currency reform onto the working people.

The liquidation of the aftermath of war and the currency reform in the U.S.S.R. are being carried out not at the expense of the people. The number of employed workers and employes is not being reduced in our country. We have not got and will not have unemployment.

Need for Sacrifice Cited

The rates of wages for workers and employes, far from being reduced, are on the contrary being increased, since the commercial prices are being reduced by several times and in addition the rationed prices for bread and cereals are also being decreased, which means an increase in real wages for workers and employes.

However, the carrying out of the currency reform demands certain sacrifices. The state is taking on itself the greater part of the sacrifices, but it is also necessary for the population to bear a part of the sacrifices—all the more so since it will be the last sacrifice.

In view of the above mentioned limitations, the exchange of cash for new money will affect almost all sections of the population.

This exchange procedure, however, will hit first and foremost the speculative elements who have accumulated large stocks of money and are keeping it in money boxes.

On the other hand, the losses of the overwhelming majority of working people through the exchange of money will be short-term and insignificant losses and will be fully compensated by the abolition of the high commercial prices and the reduction of the existing ration prices on bread and cereals.

Simultaneously with the carrying out of the currency reform, the Council of Ministers of the U.S.S.R. and the Central Committee of the Communist party have decided to carry out the abolition of the rationing system for food and industrial goods, to cancel the high commercial prices and to pass to the sale of goods at unified state prices, with reduction of the ration prices for bread and cereals.

Thus great material advantages are created for the population.

Five-Point Program Set

The abolition of the rationing system for food and industrial goods will be effected on the following basis:

(1) The sale of food and industrial goods will be carried out in the shape of open trade without ration cards.

(2) Unified state retail prices are introduced in place of the existing commercial and ration prices.

(3) Unified prices for bread and cereals are established on a lower level than the present prices for rationed food, and the rationed prices for bread are reduced on the average by 12 per cent, for cereals by 10 per cent, which amounts to a reduction of over two and a half times as compared with the present commercial prices.

(4) Unified prices on other foodstuffs are preserved in general at the level of the existing prices for rationed goods.

(5) Unified prices for industrial goods are set on a somewhat increased level as compared with the low ration prices, but as compared with the commercial prices they are reduced on an average by over three times.

Thus, as a result of the currency reform, the abolition of ration cards and the transition to open trade at unified prices, instead of the current ruble with a lowered purchasing capacity, the population will receive a ruble of full value.

The regulation of currency circulation, the growth in production of consumer goods, and the growth of retail goods turnover make it possible to reduce prices also in the future, and will lead to a new increase in real wages and in the real income of collective farmers.

It is not for the first time that currency reform is being carried out in our country. After the first World War, the civil war and the intervention, money was completely devalued and the monetary system was disrupted at its very basis. A radical currency reform was essential. The devaluation of money was so great that by effecting the currency reform, one ruble in the new currency was equal to 50,000 old rubles issued in 1923 or to 5,000,000 rubles of the old money issued in 1922.

Aid to Development Seen

As a result of the currency reform effected in 1922-24 on the instructions and leadership of Lenin, a new currency was created which contributed to the speedy development of the economy of the U.S.S.R.

The great patriotic war was immeasurably harder than all the previous wars. Nevertheless, the position as regards money circulation in Russia in the period of the first World War—when the currency circulation suffered complete collapse—cannot in any way be compared with the position as regards currency circulation in the U.S.S.R. after the second World War.

The Soviet state successfully withstood the exceptional trials of the war of 1941-45; despite the fact that this war was far more devastating and was accompanied by far greater sacrifices resulting from German occupation than the first World War.

The strength and viability of the Soviet system, created by the Soviet Union's working people under the leadership of the Bolshevik party, and the heroic efforts of the entire people, who rose for the defense of their socialist motherland, secured the military and economic victory over the enemy.

The Soviet monetary system withstood the difficult trials of the war years of 1941-1945. Despite the reduction in the purchasing power of the ruble, the money circulation of our country does not need radical reorganization.

Aid to Transition a Factor

Now, when exchanging old money for new, we do not require those extreme measures which were effected in the period of the currency reform of 1922-1924.

The currency reform of 1947 is designed to liquidate the aftermath of the second World War in the sphere of money circulation, to restore the full value of the Soviet ruble, and to facilitate the transition to trade at unified prices without ration cards.

The currency reform will increase the importance of money in the national economy, will raise the real wages of workers and employes, and will also enhance the value of the monetary incomes of the rural population.

The carrying out of the currency reform will contribute to raising the level of the material well-being of the working people, to restoring and developing the national economy, and to further strengthening the Soviet state's might.

The Council of Ministers of the U.S.S.R. and the Central Committee of the Communist party of the Soviet Union decree:

I. Currency Reform

(1) To issue for circulation on Dec. 16, 1947, new money in rubles of the 1947 model.

(2) All cash in the hands of the population, state, cooperative and public enterprises, organizations and institutions, as well as collective farms, is subject to exchange, with the exception of coins. Coins are not to be exchanged, but remain in circulation at their face values.

(3) The exchange of old money for money of the 1947 model is to be vested in the State Bank of the U.S.S.R.

The exchange of money throughout the entire territory of the U.S.S.R. is to be effected in one week, from Dec. 16 to 22, inclusive and in remote districts in two weeks, from Dec. 16 to Dec. 29, inclusive, according to the list ratified by the Counsil of Ministers of the U.S.S.R.

(4) The exchange of cash in circulation for the new currency is to be effected at the rate of 10 rubles of old money for one ruble in the money of the 1947 model.

(5) As from the day of the issue of money of the 1947 model until the end of the exchange period, old money is to be accepted for all payments at the rate of one-tenth of its face value. Old money not presented for exchange by the fixed date will be canceled and will lose power of payment.

(6) Payment of sums of money to individual citizens on inland remittances, letters of credit, and deposit accounts, for which money was remitted to state institutions prior to the issue of the money of the 1947 model, is to be carried out at the rate of 10 rubles of the old model to one ruble of the 1947 model.

(7) Wages for workers and employes for the first half of December, 1947, service men's pay, stipends, pensions and grants for December, 1947, are to be paid out in money of the 1947 model in the course of Dec. 16, 17, 18, 19 and 20, 1947, everywhere throughout the territory of the U.S.S.R., irrespective of the dates fixed for their payment of wages.

Deposit Revaluation Due

(8) Simultaneously with the issue of money of the 1947 model, a revaluation of deposits and current accounts of the population is to be carried out according to the state of accounts on the day of issue of the money of the 1947 model, in savings banks and the State Bank of the U.S.S.R. on the following terms:

(A) Deposits amounting up to 3,000 rubles inclusive remain unchanged at their nominal value, i.e., they are revalued at the rate of one ruble to one ruble.

(B) Deposits amounting up to 10,000 rubles inclusive are to be entered into the accounts as follows: The first 3,000 rubles without alteration of the nominal value, and the rest of the deposit to be revalued at three rubles of old money to two rubles of new money.

(C) Deposits amounting to over 10,000 rubles are to be entered into the accounts as follows: The first 10,000 rubles at the exchange rate mentioned above in paragraph (B) and the rest of the deposit to be revalued at the rate of two rubles of old money to one ruble of new money..

No paying in or paying out operations on deposits in savings banks or the State Bank will be carried out on Dec. 15, 16, and 17 but will proceed normally as from Dec. 18.

(9) Paying of current accounts of cooperative enterprises and organizations as well as of collective farms, are to be revalued at the rate of five rubles of the old currency to four rubles of the new currency.

The Conversion of Loans

(10) Simultaneously with the currency reform, a conversion is to be effected of all previously issued state loans and savings bank certificates for special deposits on the following bases:

(A) Bonds of the state loan of the second Five-Year Plan (issue of the fourth year), the loan for strengthening the defense of the U.S.S.R., all issues of the loan of the third Five-Year Plan, war loans, the loan for the restoration and development of the national economy, as well as bonds issued on loans to cooperative organizations and savings bank certificates, are to be exchanged for bonds of the conversion loan, to be issued at 2 per cent annual interest in 1948.

The bonds of the new conversion loan are to be exchanged for the bonds of previous loans at the rate of three rubles in

30.24- 14237

bonds of the previously issued loans to one ruble in bonds of the conversion loan.

The exchange of bonds of former loans and savings banks certificates will be carried out from May 3 to Aug. 3, 1948.

(B) The second state loan for the restoration and development of the national economy of the U.S.S.R., issued in 1947, is not subject to conversion. Subscribers to this loan will continue subscription payments as hitherto for the whole amount of the payments and will receive bonds of that loan at the face value after the termination of subscription payments.

(C) Bonds of the state lottery loan of 1938 are to be exchanged for bonds of the new freely circulating state 3 per cent internal lottery loan, issued on Dec. 13, 1937.

Exchange of bonds of the 1938 loan will be carried out in the period fixed for the exchange of currency at the rate of five rubles in bonds of the 1938 loan to one ruble in bonds of the 3 per cent internal lottery loan. During this period the savings banks will purchase bonds of the 1938 loan for cash at the same rate.

(11) As from the day of the proclamation of the conversion of state loans until Aug. 1, 1948, the regular drawings on loans is suspended, as well as payment of maturing coupons of bonds for loans to be converted. Regular drawings and payments will be resumed from August, 1948, including those for the preceding period.

(12) Rates of taxation, the dimensions of debts and contract obligations between enterprises, institutions, or organizations, the dimensions of obligations regarding payments of the population to the state, as well as the dimensions of treaty obligations between the U.S.S.R. and foreign states remain unchanged.

II. Abolition of Supplies Ration-Card System

(1) Simultaneously with the carrying out of the currency reform, on Dec. 16, 1947, the supplies ration-card system of food and industrial goods is abolished, the high prices in commercial trade are abolished and unified, lower state retail prices are introduced for food and industrial goods.

(2) The following should be taken as the basis in establishing the unified retail state prices for food and industrial goods:

(A) Prices of bread and flour are to be reduced on an average by 12 per cent as compared with the existing ration prices.

(B) Prices of cereals and macaroni are to be reduced on an average by 10 per cent as compared with the existing prices.

(C) Prices of meat, fish, fats, sugar, confectionery, salt, potatoes and vegetables are to be kept at the level of the existing ration prices.

(D) As to milk, eggs, tea and fruit, the existing high commercial prices and excessively low ration prices are to be abolished and replaced by new prices conforming to the level of the existing ration prices of staple foodstuffs.

(E) The present high commercial prices of fabrics, footwear, clothing and knitwear goods, as well as the excessively low prices of rationed supplies introduced in towns and workers' settlements, are to be abolished, and new prices are to be established at a level 3.2 times lower than the commercial prices.

(F) Prices of tobacco products and matches are to be kept at the level of the existing ration prices.

(G) The prices of beer are to be reduced on an average by 10 per cent as compared with the existing prices.

(H) Vodka and wine are to be kept at the existing prices.

(3) The Ministry of Trade of the U.S.S.R. is to establish, in accordance with the present decision, new lowered state retail prices of foodstuffs for various zones, as well as new state retail prices of industrial commodities for towns and countryside.

(4) The prices established by the present decision do not extend to the collective farm market or to cooperative trade in commodities purchased by the cooperative themselves.

Chairman of the Council of Ministers of the U.S.S.R.,
STALIN.

Secretary of the Central Committee of the Communist party of the Soviet Union,
ZHDANOV.

Dec. 14, 1947.

Marshall Denies Red Charge of Profiteering in Germany

LONDON, Dec. 14. — (AP) Secretary of State Marshall told Russia tonight that neither the United States nor Britain has pocketed "one penny" from the sale of German exports, and appealed anew for big power cooperation in reviving Germany's economy and foreign trade.

This was Marshall's answer to Soviet Foreign Minister V. M. Molotov's angry charge Friday of Anglo-American profiteering at Germany's expense.

The answer was issued midway in a weekend cooling-off period in deliberations of the big four foreign ministers council.

Parley Resumes Today

In an atmosphere made tense by the knowledge their decisions will shape Europe's economic future for years to come, the diplomatic chiefs will resume their deadlocked discussions tomorrow. An American challenge for a Russian accounting of Soviet reparations removals still stands as the immediate issue.

In a formal statement distributed in advance of tomorrow's meeting to the Russian, British and French delegations, Marshall put the American case on record. He made these points:

The United States "long ago proposed a moratorium"—without success—on acquisition of foreign ownership or control of property in Germany.

It attempted in vain to obtain "factual statements" on the changes in foreign ownership in each of the zones of occupation.

It has scrupulously "carried out" in its own zone the moratorium it proposed.

There has not been a single case of American acquisition of German business property during the entire occupation.

All goods—including both coal and timber—shipped out of Germany from the American and British zones, amounting to $165,000,000 since the first of the year—have been sold at world market prices, with the proceeds going to buy "essential imports for the German economy."

"The United States," declared Marshall, "invites the assistance of the Germans and of the other occupying powers in obtaining favorable terms of trade for German exports."

But it was an invitation extended—at least so far as Russia is concerned—more in hope than in optimism.

With even more emphasis than they have said it before, members of the American delegation expressed conviction that tomorrow's meeting would offer concrete signs on how long the conference would last.

With caution born of past experience, neither American nor British spokesmen would rule out the possibility that Molotov might turn up with an offer to compromise his differences with the western powers on the Soviet demand for $10,000,000,000 in reparations, payments to start from current production.

Marshall issued his statement in answer to the Russian charges midway during a weekend cooling-off period prompted by an angry council exchange Friday, which was touched off by Soviet Foreign Minister V. M. Molotov's denunciation of the Western powers' activities in Germany.

The next meeting of the council was set for 3:30 p. m. (10:30 a. m. Eastern Standard Time) tomorrow.

No one—at least among the Western powers' delegations—was willing to say whether it might produce an outright breakdown in the present conference or concessions and conciliation leading to further deliberations.

Polite, Silent Germans Covering Big Four Talks

LONDON, Dec. 13. (AP).—German correspondents, a dozen men and a few women, are reporting the meeting here of the four-power Council of Foreign Ministers. They are polite, self-effacing, sometimes bewildered. They represent Germany's diverse political parties, but all express hope that Germany can become a political and economic unit.

The Germans enjoy the facilities of all reporters accredited to the conference. They attend various briefings, where officials of the Big Four delegations advise reporters of developments. (Reporters are barred from the conference sessions).

For most, the trip to England is their first glimpse of life outside Germany for a long time. They are inclined to stay together, listen carefully, take notes volminously and say little.

British Sub Remains Submerged 'Several Weeks' in Record Test

LONDON, Dec. 14 — (AP) A British submarine has remained submerged for "several weeks," then surfaced under her own power with her full crew of seven officers and 60 men in good health, the admiralty said today.

Two to three days was the previous limit of submersion.

A succinct British admiralty announcement reported that H.M. Submarine Alliance, with a displacement of 1,250 tons, had returned to its base at Portsmouth after a cruise in the tropical waters off Sierra Leone, Africa, "to test living conditions aboard a submarine during prolonged dives in tropical waters."

An admiralty spokesman confirmed that the submarine—one of Britain's latest types—had remained submerged for several weeks but declined to disclose any details.

It was learned, however, that the alliance had been fitted with an improved version of the German schnorkel apparatus and with other secret devices. The schnorkel, put into service on U-boats in 1943, both purifies the air in submarines and eliminates engine odors. But even with it installed on submarines 48 to 72 hours of submersion was the previous limit.

Specially selected crews who underwent exhaustive health tests were assigned to the Alliance, and a doctor examined each man daily during the underwater ordeal.

To ward off boredom, movies, 200 books and hundreds of gramophone records were stored aboard. Football and racing results were broadcast to the submarine, and the men held sweepstakes on the results.

Otherwise, normal underwater routine was carried out throughout the dive.

The lone anxious time came when one sailor complained of pain. Appendicitis was suspected, and it was feared the test would have to be suspended. But the man's condition improved, and two days later he was fit again.

Toward the end of the longest underwater cruise on record excitement mounted among the crew. As the submarine broke surface off Freetown, officers and men scrambled up the conning tower to greet the sun.

"We were appalled by the stench of marine growth with which our ship had become embalmed beneath the sea," one officer said.

Getting Belgian Bride He Knows Only by Mail

LONDON Dec. 13 (AP).—At London airport Saturday, Albert Lange, of Pasadena, Calif., a plumber, scribbled figures on the back of an envelope and calculated that his courting had cost him $2.

It was all expended for air mail postage on letters to Monny Massart, twenty-seven, a Brussels bank clerk, whom he has never seen. But he flew the ocean to marry her. Her last letter to Pasadena said "yes."

Mr. Lange is a friend of former American Sergeant John Watkins, who came back from the wars with a Belgian bride.

Mr. Lange was so impressed he asked Mrs. Watkins to give him an address in Belgium, and that's how Monny got introduced by trans-Atlantic post.

Mr. Lange, waiting for a Brussels plane, said: "I'm going to take her back to the States."

LAST U. S. TROOPS SAIL FROM ITALY

Beat Deadline Set for Their Departure by Peace Treaty.

LEGHORN, Italy, Dec. 14—(AP) The last American occupation troops on Italian soil sailed today aboard the transport Admiral Sims exactly nine hours and 45 minutes ahead of the midnight deadline set for their departure by the peace treaty.

As they filed up the gangplank, the 97 officers and 1,356 enlisted men brought to a close a military operation dating back to Sept. 9, 1943 when U. S. troops drove ashore in the Salerno area. This invasion of the Italian mainland closely followed the conquest of Sicily.

Small Unit Remains

Now the only U. S. soldiers remaining behind of the tens of thousands who fought here during the war are members of a small graves registration and liquidation unit in Rome, which was provided for under a special treaty provision.

(With Italy still facing the threat of difficulties from Communists, President Truman served notice last night that the United States will consider "appropriate" measures for maintaining peace and security in Italy if Italian independence is threatened in the future).

In the free territory of Trieste at the head of the Adriatic Sea the U. S. 88th Division, formerly under the Mediterranean theater command, is on duty with British and Yugoslav troops.

This region was stripped from Italy under terms of the peace treaty ratified last Sept. 15. The treaty also provided a 90-day period for the evacuation of American troops.

Ambassador James C. Dunn and a group of Italian army representatives attended a brief ceremony at the dockside before the transport steamed out of Leghorn harbor. The American flag was lowered at 1:45 p. m. (7:45 a. m. Eastern Standard Time), and the Italian flag then was raised.

Maj. Gen. Lawrence C. Jaynes, theater commander, was the last man to step aboard the ship.

Last of British Leave

The last of the British occupation troops, who were partners of the Americans from the beginning to the end of the Italian campaign, sailed today from Venice.

In a ceremony aboard the Admiral Sims, Gen. Jaynes and 13 of his staff officers received Italian military decorations from Gen. Claudio Trazzani, chief of the Italian general staff.

Italians standing on the dock watching the embarkation ceremony appeared to have various feelings concerning the troops' departure. Some shook their heads and said, "maybe they should have stayed."

Among those who seemed most to regret the departure were a number of Italian girls, forbidden from going on the dock, who hired launches and sped beside the Sims shouting "addio" and reminders to "write me."

Although it was a sad occasion for many, the girls did not cry. Jaynes was damp eyed as he boarded the ship and a Swiss youth whose sister is married to one of the American officers aboard sobbed uncontrollably.

GERMAN ZONE OPENED TO U.S. PRESS BY REDS

BERLIN, Dec. 14. — (AP) Acting on a request that was pending for three months, the Russians yesterday agreed to open their occupation zone of Germany to American correspondents for a conducted tour.

Tentative starting date for the tour is Jan. 8, when the Russians have promised to admit eight Americans.

American correspondents last visited the Soviet in June.

S. S. Woman's Arrest Verified

HAMBURG, Germany, Dec. 14 (AP)—The arrest a fortnight ago of Ruth Neudeck, who was an S. S. (Elite Guard) wardress at the Ravensbrueck concentration camp for women was officially confirmed today. She had been sought on charges connected with the mass murders and ill-treatment of Allied inmates of the camp.

Polish Socialist Congress Assails U. S. 'Offensive'

WROCLAW, Poland, Dec. 14 (AP).—Polish Socialists opened a four-day national congress in this former German industrial city today, calling for international workers' solidarity and attacking the United States' "capitalist offensive" in Western Europe.

Approximately 1,000 delegates from Poland and Socialist representatives from Great Britain, France, Italy, Austria, Czechoslovakia, Finland, Sweden, Hungary and Switzerland met in the National Theater.

Julian Hochfeld, Socialist leader in the Polish Sejm (parliament), presented a fifty-two-point program alleging brutal penetration by American capitalists in European affairs. The program said Socialists would form a united front with the Communist workers party in Poland to help liquidate the "capitalist offensive" against western Europe.

Arab Soldiers Machine Gun Jewish Bus Convoy, Kill 14

Grenade Attack Started Fight, Moslems Say

Jerusalem, Dec. 14 (AP) — Arab soldiers of King Abdullah's fierce Trans-Jordan Army, in Palestine for police duty, were reported officially tonight to have killed 14 Jews and wounded 15 others when they machine gunned a bus convoy near Tel Aviv.

Most of King Abdullah's army, which is known as the Arab Legion, is on loan to the Palestine Government for police duty.

Official accounts said the Jewish convoy of seven vehicles was shot up today at Beit Nebala, on the Petah Tiqva-Ben Shemen Road.

Legionnaires said they were attacked by grenadiers in the convoy and fired back. Jews said a truck in the caravan ran into an "unprovoked attack" in passing a legion camp.

A later official version disclosed that the driver of the truck leading the convoy was hit in the shooting and the machine crashed into the camp. Grenades were found in and near the truck and fragments of grenades inside the camp, this report said.

The same account said the convoy had been attacked earlier, before reaching Beit Naballa, and one British soldier had been wounded severely and another slightly when an army truck went to the Jews' aid.

A Palestine Government spokesman said Jewish settlement police guarding the convoy apparently "lost their heads when they saw a lot of Arabs with guns and tossed a couple of grenades. The Arabs naturally believed they were under attack and returned fire."

The Jewish defense force Hagana issued three statements saying it had been "the victim of an unprovoked attack while carrying supplies" for children to a village.

Scattered violence continued elsewhere in the Holy Land in the battle between Arabs and Jews over the United Nations decision to partition the Holy Land into Arab and Jewish countries.

The unofficial count of violent deaths mounted to 241 in Palestine and 363 in the entire Middle East for the 15 days since the U.N. assembly voted partition.

A Hagana source said tonight one Jew had been killed and three wounded in an Arab attack on the settlement of Beit Eshel in the Negeb, the southern desert.

An Arab motorized unit raided a British police depot at Ramle. A hand grenade hurled at an Arab bus killed an 18-month-old Arab child in Jerusalem.

A snipers' duel developed between a post of Hagana, the Jewish militia, at Holon, south of Tel Avivi, and residents of the Arab village of Tel Errish. Hagana reported, without official confirmation, that one of its fighters and 10 Arabs were killed.

Hagana said police armored car units had arrested six of its fighters and confiscated their arms.

Passengers of five of the buses in the Jewish convoy, which arrived safely at Ben Shemen, said the attackers included men wearing the uniform of the British-commanded Arab Legion.

A Palestine police report said here tonight that border forces in Lebanon, to the north, had been "reinforced and instructed to shoot at sight any persons approaching the frontier from Palestine."

The report said the action followed a border "incident" Friday in which a homemade bomb exploded about 10 feet inside the Lebanese frontier. "One of the Arabs concerned," it said, "alleges" the bomb was thrown at him from Palestine territory. The report said Lebanese police visited the scene with him today.

An official spokesman for the Palestine Government said the Lebanese boundary had not been closed at regular control points and the police report apparently referred to persons approaching cross country.

In Beirut, Lebanon, reports were heard that Palestine Jews had threatened to attack a Lebanese border village whose Arab inhabitants had seized and disarmed two Jewish interlopers, but that British officers had claimed the disputants.

In Baghdad, Gen. Husein Fawzi, former Iraqi Army chief of staff, said the army had released several thousand troops that would be ready to move to Palestine with full equipment within two weeks.

President Hussein Heikal Pasha of the Egyptian Senate told a Cairo political meeting partition would enable Russia to send 300,000 Romanian Zionists to make the prospective Jewish state Communist.

Haj Amin El Husseini, exiled Mufti of Jerusalem with headquarters in Cairo, was reported by an aide to have drawn up plans for a "Democratic Arab Government of all Palestine"—ignoring the U.N. idea of giving the Arabs only part of the Holy Land.

Demonstration in Cairo

In Cairo thousands of Egyptians shouting for arms "to kill Jews" packed into Opera Square to hear representatives of the Arab League pledge weapons, money and men to Palestine Arabs fighting against creation of a Jewish State in the Holy Land. Police said the crowd numbered 100,000.

The unofficial death toll in 15 days of Holy Land violence since the UN decision on partition mounted to 236. For the entire Middle East the figure was 236 766. A reliable report said that a central Arab army headquarters was established somewhere in the Nablus hills north of Jerusalem and an Arab commander was issuing orders for Arab forces to district headquarters scattered throughout Palestine.

One such district headquarters was said to be at Lydda, on the road between Jerusalem and the Tel Aviv-Jaffa coastal area. There the district commander pinpoints activities for 35 villages surrounding the Tel Aviv-Jaffa battle zone, these reports said.

A foreign business man, whose identity must be withheld for safety reasons, said he was conducted to the command post for discussion of a proposed arms deal.

"The approaches were guarded by a battery of searchlights and Bren gun positions," he said. "I was required to wear Arab headdress. Inside a map-cluttered office uniformed officers worked at desks. Passages and offices were piled high with Bren guns and boxes of ammunition—all brand new."

Hagana Maps Action

A Jewish agency spokesman told newsmen today that Hagana would continue defense or "aggressive self-defense" operations if Jews or Jewish positions are attacked by Arabs. He said that in the first 10 days after the United Nations decision to partition Palestine Hagana was committed only to acts of self-defense, but has now decided to attack all centers from which Arab attacks emerge.

He said that last night a Hagana squad stopped an Arab bus near Beisan in northern Palestine, scene of an earlier attack upon a Jewish bus. He said Hagana overcame attempts at resistance, disarmed two passengers and set the bus on fire, then explained in Arabic the reasons for the action.

The spokesman denounced actions by "Jewish private armies," a reference apparently to Irgun Zvai Leumi and the Stern Gang, extremist Jewish underground forces blamed for recent killings of Arabs.

Other violence today included:

Three Arabs were reported wounded and six missing after three Jews held up and machine-gunned an Arab bus between Beisan and Tiberias.

Port Partially Paralyzed

A bomb exploded outside a Jewish shop in Haifa but caused no casualties. Port facilities in Haifa were partially paralyzed by communal strife, and 11,000 tons of merchandise were reported piled up on the docks.

30.24- 14259

One Arab died of wounds suffered in yesterday's bomb attack on a Jerusalem Arab market place outside Damascus gate, raising the death toll in that incident to seven.

Six planes of the Jewish-owned Aviron Airline were evacuated from Arab Lydda to a small field near Tel Aviv. British troops surrounded the field and questioned the crews.

A Jewish Agency spokesman declared that several British police had deserted with arms. The public information office of the Palestine government said this was "completely untrue."

100,000 Arabs In Cairo Shout For War on Jews

Hear Leaders' Pledges of Arms and Men to Bar Partition of Palestine

CAIRO, Dec. 14 (AP).—Demonstrators estimated by police to number 100,000 packed Opera Square in downtown Cairo today and heard pledges from Arab League representatives to supply Palestine Arabs with "weapons equipment and men" in the fight against partition.

Demands for arms were shouted by the marchers. They chanted the traditional pledge of faith led by Sheik Mahmoud Abou el Ayoun, secretary general of Al-Azhar University. It ended with these words: "Forward, Forward, Swords of God; Forward, Forward, Troops of God."

The marchers formed at Al-Azhar, whose Council of Teachers, the highest Moslem authority, already has proclaimed a jihad (holy war) against the decision of the United Nations to set up separate Jewish and Arab states in Palestine.

The demonstrators, organized by the "Nile Valley Committee to Save Palestine," filled the square in front of the Continental Hotel so tightly that five fainted.

Lebanese Premier Riad el-Sohl, one of the Arab League representatives conferring here on measures against creation of a Jewish state, told the crowd: "We will never sleep until we save Palestine as an independent Arab unified state. We promise you we will supply Palestine as we did before with all our possessions. We will supply them with weapons, equipment and men. I hope you will have confidence in the leaders of the Arab League. You shall witness soon the results of their work."

Prince Amir Faisal al-Saud Foreign Minister of Saudi Arabia, added: "We promise you to save Palestine by our souls, money and sons."

He said that "even if the forces of persecution were united, they could not destroy the spirit I've seen here," adding, "I'm depending on God and you to maintain Palestine as an Arab independent state."

Several in the crowd shouted, "No oil for America, Faisal," but he gave no sign that he heard.

Jamil Mardam Bey, Premier of Syria, said the time for speeches was past and the stage for action at hand. "We should all be determined to liberate Palestine by our might and money," he said.

Campaign To Make Propaganda Of Ruble Devaluation Expected

Washington, Dec. 14 (AP)—A Soviet campaign to make propaganda capital out of a painful financial situation was forecast by American officials today as a likely next step following Russia's drastic currency devaluation and abolition of rationing of "food and industrial goods."

Getting rid of the double system of one set of prices for rationed goods and much higher figures for other commodities, in effect since 1943, has been an avowed Soviet objective for months.

The decree wiping out nine-tenths of the purchasing power of the present ruble was viewed by official experts on Russian affairs as an extraordinary extreme measure to deal with inflation rather than as evidence that Soviet economy may be shaky.

U. S. officials, while not surprised, were much interested in the step, in view of continued Russian insistence on how sound the Soviet was economically as compared to capitalistic countries.

What was surprising here was the 10 to 1 conversion rate, to be applied to all Soviet monetary cash holding except bank accounts up to 3,000 rubles. A much lower rate had been looked for since last week's news of "panic buying" in Moscow and other cities served as a tipoff to the outside world that the ruble was about to be put through the wringer.

Having wiped out nine-tenths of the theoretical purchasing power of the rubles held in cash by the Soviet citizens — as a means of dealing with "speculation" — the Kremlin will be in a position now to put into effect a general price reduction, and proclaim at the same time that the tightly-managed Communist economy has permitted a reduction in the cost of living while prices soar in inflation-ridden capitalist countries.

State department officials said tonight that the official voice of America radio program will start Monday night beaming the story of the Russian financial maneuver to every reachable country.

The approach the radioed reports will take was not disclosed immediately but Francis B. Stevens, associate chief of the state department's Eastern European Division, provided one possible clue with the coment that it will not be possible at once to determine the effect on the Russian people's real income.

"We'll have to wait until we see the new official price level," he told a reported. "The prices of rationed goods were upped about 180 per cent last year, so it would take quite a cut to bring them down to 1946 levels."

J. Burke Knapp, associate director of research and chief foreign currency experts of the federal reserve board, saw a "social" as well as an economic purpose in the Soviet move.

"It was obviously intended," he said in response to a request for comment, "to wipe out the private fortunes which have been accumulated by what the Moscow radio calls 'speculators.'"

He said that category includes everyone who produces and sells on the non-rationed open market for high prices instead of selling to the state for controlled prices."

Russia has met with much the same wartime and postwar financial difficulties as other countries. Developments since the 1941 Nazi invasion have followed this general course:

Wartime issues of currency put excess money into circulation at a time when consumer goods were becoming scarce. In 1943 Russia, in an effort to drain off the excess money and at the same time boost civilian morale, set up so-called commercial stores at which unrationed goods might be bought those for the limited quantities permitted through the ration system but at prices 10 to 100 times tem.

Inflationary trends continued nevertheless. Although the ruble has an official exchange rate of 5.3 to the United States Dollar, its actual purchasing power has been carefully figured by American economists at three cents or less.

Meanwhile, aiming at getting rid of rationing, the Kremlin last year increased prices on rationed goods by some 80 per cent, but narrowed the gap by reducing quotations in the commercial stores.

A leak of the government's intention to devalue led to the buying spree which started in Moscow and other cities in late November as Soviet citizen sought to exchange for goods the rubles which they suspected would soon be nearly worthless. The result has been to strip almost bare the shelves of stores of all kinds. Latest reports here are that some are still closed "for inventory."

These are only retail stores, however. With the old inflated ruble outlawed, officials expect the Soviet regime to fill the shelves again from wholesale distribution centers in short order, and then to proclaim lower prices — in terms of the new ruble.

STOPGAP AID FACES COMMITTEE SLASH

Cuts Studied as Authorization Measure Nears Passage.

WASHINGTON, Dec. 14. — (AP) Emergency aid for Europe faced the prospect today of another slash of $50,000,000 to $100,000,000 or more before it passes Congress.

This possibility arose as an influential sub-group of the House Appropriations committee was reported today to have reached a tentative decision reducing the $597,000,000 measure—with its work unfinished and subject to change.

The preliminary agreement was said to be this:

1. Removal of China from the bill.

2. A cut of $50,000,000 to $60,000,000 in aid for France, Austria and Italy.

The big question remaining:

Should another $60,000,000 or so be lopped off because China is not included?

Resume Study Today

The subcommittee, which has not disclosed any results of its closed-door deliberations, will continue tomorrow. Its decisions must go before the full committee later, but Chairman Taber (R-NY) is in charge of both groups and committee approval is therefore likely.

This work is on the actual appropriation bill to finance the relief. A bill authorizing the program which is designed to supply urgent needs and curb the spread of Communism pending action on the long-range Marshall Plan for European economic recovery, is ready for final passage by house and senate.

Its adoption in both houses tomorrow is a possibility.

This authorization is set at $597,000,000. The figure is exactly the amount the administration requested of congress for France, Italy and Austria alone.

The total actually represents a reduction for the three European countries because the house voted to include China in the emergency aid program at no increase in the overall amount. Secretary of State Marshall had indicated that the administration would give attention to China separately later.

The house tossed China into the bill by action of its foreign affairs committee. The bill itself carries no exact figure on aid for any of the countries—this will come in the appropriation measure—but the committee mentioned $60,000,000 for China and this is the amount generally accepted as that intended by the house.

Bill Nears Passage

The final version of the authorization bill emerged Saturday from a house-senate conference committee called to compromise on the views of both chambers. The senate had passed the bill as requested by the administration—$597,000,000 for the three European nations only—but in conference the senators yielded to the house and left China in the bill. This presumably was to avoid any misunderstanding of the United States attitude toward China.

While congress labored over the emergency aid bill—intended to provide essentials for the recipient nations through next March—the administration's program far carrying out the Marshall Plan itself was shaping up.

President Truman asked nine of the top lawmakers to visit the White House Monday morning to talk over this scheme for bolstering the economy of 16 friendly European countries.

With this out of the way Senate President Vandenberg (R-Mich) planned to hurry back to Capitol Hill and win final senate approval for the winter aid program.

Vandenberg hoped to push the authorization through the senate Monday and rush it to the house for possible action the same day.

As soon as President Truman signs the interim measure, goods could actually start moving to the western European nations because $150,000,000 will become available through an advance by the Reconstruction Finance Corporation which the bill provides.

Detailed plans for this relief and that to China must await passage of the appropriations bill.

MARTIN PREDICTS PASSAGE TODAY OF G. O. P. PRICE BILL

Asserts House Will Approve Voluntary Plan with 'Votes to Spare.'

MAY BAR AMENDMENTS

Democrats Assail Proposed Procedure as 'Strong-arm' Methods.

WASHINGTON, Dec. 15 (AP)—Speaker Martin (R-Mass) said tonight the Republican-backed "voluntary" anti-inflation substitute for President Truman's standby price-wage and rationing program will pass the house tomorrow, "with votes to spare."

Meanwhile, House Republican Leader Halleck, of Indiana, said in a statement that the Truman administration is not as interested in bringing down prices as it is in "playing politics with the subject."

If the G.O.P. bill fails of passage, he said, Democrats "will have to take the responsibility" for defeating all economic legislation at the special session.

O'Mahoney Hits G.O.P. Bill

And in the widening economic breach between the White House and the Republican majority on Capitol Hill, Senator O'Mahoney (D-Wyo) fired back an accusation that the G.O.P. has offered the country a "big business" and "pro-monopoly" rather than an anti-inflation bill.

Meanwhile, House Republicans tentatively scheduled a "this or nothing" procedure for their substitute program.

Under this "take it or leave it" maneuver a motion would be made to suspend the house rules to bar amendments to the G.O.P. bill, introduced by Rep. Wolcott (R-Mich), and debate would be limited to 40 minutes. This requires a two-thirds vote and Republicans are counting on support of southern Democrats to swing the tally, if this maneuver is adopted.

House Democratic Leader Rayburn, of Texas, cried "outrageous" and "strongarm" against such a procedure.

Martin said Republican strategy will not be finally decided until tomorrow morning.

He emphasized to a reporter that the Wolcott Bill, which includes authority for the president to suspend anti-trust laws where industries get together on cost-of-living agreements, "is only a part of the Republican program." He added:

Further Action In January

"But it's about all we can do at the special session. We will tackle the rest when we get back in January."

In his formal statement, Republican leader Halleck said:

"There has been so much bickering, confusion and outright conflict over the price situation with the Truman administration that it is becoming apparent to the country that the administration does not want to bring down prices and is playing politics with the subject.

"We are going to give the Democratic congressman an opportunity to show by their votes whether they want to do something constructive about prices or just talk about them and try to hamstring action demanded by the people."

Democrat O'Mahoney sent members of the Senate-House Economic committee a telegram saying:

"The Wolcott Bill is a bill which would enable the small group which now controls American industry to write its own ticket and put the president of the United States in the position of having to approve the program of Big Business or be reported to the country as declining to act.

"There is no possibility of protecting the people of the United States unless we clothe their government with possitive power as is done in the Harriman Bill (embodying part of Mr. Truman's program). The Walcott Bill is not an anti-inflation bill but a pro-monopoly bill."

HOLDINGS HERE BIG OF FOREIGN ASSETS

Private Interests, Including Refugees, Own $16.4 Billions, Officials Disclose

WASHINGTON, Dec. 14 (AP)—Private interests in this country, including refugees from abroad, own about $16,400,000,000 of foreign assets, it was disclosed today.

This is more than double the United States Government's live debt claims against foreign countries. It takes no account of virtually written-off World War I debts exceeding $10,000,000,000 and billions more in yet-unsettled World War II lend-lease.

The foreign holdings of private interests in this country are far above the shrinking aggregate of $14,000,000,000 worth of assets in the United States which are owned by both foreign governments and foreign private interests, officials told a reporter.

Their estimates, showing the United States (Government and private interests) a net creditor to the world by about $10,400,000,000 (billions) at this time, brought up to date a report issued on the subject by the Treasury today.

U. S. A. Creditor,

The Treasury's report showed the United States a net creditor to the extent of about $5,300,000,000 at the start of this year, not taking into account a technical offset of $500,000,000 because of location of the forty-six nation world bank and fund here.

The 1947 upswing was attributed to further foreign lending by the United States Government and to foreign selling of assets in this country to pay for goods purchased.

The roll-up emphasized the shift in the position of the United States from a debtor to the world by $3,636,000,000 before World War I began in 1914 to a creditor to the world—by an increasing amount—since that war ended. And where the United States once had to pay off from sales of goods and gold and tourist entertainment, it got a net income of $438,000,000 from holdings abroad last year, with private interests receiving $417,000,000 of it and the Government $21,000,000.

The Treasury said the biggest American holdings abroad, and generally the highest-paying ones, are investments in American-controlled business enterprises.

These represented a $7,700,000,000 investment at the start of this year, or nearly half of the then total of $16,410,000,000 (billion) of the holdings of all private interests. (Foreigners had a $2,440,000,000 (billion) investment in American enterprises.)

HUTCHINS RAPS ARMY TRAINING

WASHINGTON, Dec. 14—(AP) Robert M. Hutchins, president of the University of Chicago tonight denounced universal military training as "a ridiculous and wasteful act of war."

"It will inflame other nations against us," Hutchins told a conference sponsored by the National Council for Prevention of War.

"Since other nations know that universal military training is a military absurdity in the United States in the atomic age, they will not be deterred from attacking us because we have such training," he said.

"If they are bent on attacking us, they will attack us whether we have universal military training or not.

"For this country to talk about universal military training is the acme of provocation, for this country now possesses the exslusive monopoly of the most deadly weapon in history and has greater productive power than all the rest of the world put together.

"If this country, so equipped, has to have military training, what does it have to have it for? No other nation will believe that it has to have it to protect it from attack. It must therefore want to have it in order to attack somebody itself."

Legislation to provide for universal military training is awaiting congressional action in the session beginning next month.

NEW WAR GLIDER SET

Air Force Ready to Test Craft With Tricycle Landing Gear

WASHINGTON, Dec. 14 (AP)—The Air Force will try out this week a new-type assault glider, equipped with a tricycle landing gear designed to make a landing something less than the adventure which airborne troops of World War II found it.

The "Avitruc" is the first all-metal cargo glider produced in this country, a USAF announcement said. In addition to the tricycle gear to ease the landing shock, the glider has a steel-shaped crash compartment for protection in landing accidents.

Designated as the XCC-18A, th first of two experimental models has been completed at the Trenton (N. J.) plant of the Chase Aircraft Company. With a wing span of eighty-six feet and a fifty-three-foot length, the glider is capable of carrying 8,000 pounds of cargo, thirty fully equipped combat troops or twenty-four patients on litters. A rear cargo ramp permits bulk freight to be rolled or driven into the hold. A communication system between the glider and tow plane is provided.

NIMITZ WILL STEP OUT AS NAVY CHIEF TODAY

WASHINGTON, Dec. 14—(AP) One of the legendary figures of the modern Navy, Fleet Admiral Chester W. Nimitz, will hand over the Navy's top job to his successor tomorrow and step to the sidelines.

He will be an adviser to the Secretary of the Navy from his home on the West Coast, while Admiral Louis E. Denfeld sits in the chair of the chief of naval operations.

YULE PARTY IS GIVEN 5 EUROPEAN ORPHANS

WASHINGTON, Dec. 14 (AP)—Five European war orphans, brought to this country to start a drive to bring thousands of others here, were guests of honor today at a Christmas party.

The children received gifts of toys and clothes from members of the diplomatic corps of their native lands.

Their appearance, at the United Nations Club, was sponsored by the Foster Parents' Plan for War Children, an organization which said it plans to raise $1,500,000 to care for 75,000 or more children. It said it had taken care of 50,000 to date.

The organization listed the five children and said they had been adopted as follows:

Clement DeSutter, 10, from Belgium, adopted by Mary Pickford of the movies; Johanna Leijdekkers, 6, Holland, foster child of Jack Smith of the radio; Glenise Milward, 11, England, actress Vicki Cummings; Guisseppe di Lilio, 12, Italy, Minerva Pious of the radio; Sheila Shephard, 12, England, adopted by a group of Chicagoans. Sheila is to be a guest of Patrolman and Mrs. Harry Chambers in Chicago and will be received by Mayor Martin Kennelly of Chicago.

Communists Report Gains

SAN FRANCISCO, Dec. 14 (AP)—The Chinese Communist radio, heard in San Francisco by The Associated Press, reported successes in the Shantung peninsula and around Tientsin and Tsingtao.

The broadcasts said Communists had recaptured Kiaohsien and Kaomi, forty-five and sixty-two miles northwest of Tsingtao; the port of Haiyang, sixty miles northeast of Tsingtao, and seven unidentified "strong points" west of Tientsin.

FIRST LEAD RUSSIAN GOVERNMENT, ADMITTING FOR THE FIRST
BY THE ASSOCIATED PRESS HIT ITS CONTROLLED ECONOMY, SAID
LONDON, DEC 14--THE SOVIET GOVERNMENT TONIGHT IT WAS UNDERTAKING A PROGRAM OF "CURRENCY REFORM" TO COMBAT
TIME THAT POST-WAR INFLATION HAD HIT ITS CONTROLLED PRICES.
SPECULATION AND THE SPIRAL OF PRICE ISSUANCE OF A NEW CURRENCY TUESDAY
THE "REFORM" WILL INCLUDE THE IS- BANKS FOR CONVERSION WILL BE EXCHANGED
IN WHICH OLD RUBLES BROUGHT TO BANK- TROUBLE.
AT THE RATE OF 10 FOR ONE NEW RUBLE ABOLISHED ON ALL "FOOD AND INDUSTRIAL
IN ADDITION RATIONING WILL BE AB- BE BROUGHT UNDER UNIFIED PRICE CONTROL.
GOODS" AND CONSUMER GOODS WILL BE

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THE DECISION WAS TAKEN BY THE COUNCIL OF MINISTERS--THE RUSSIAN CABINET--AND THE CENTRAL COMMITTEE OF THE COMMUNIST PARTY, SAID THE RADIO, WHICH BROADCAST THE TEXT OF THE DECREE.

THE NEW CURRENCY WILL BE ISSUED, THE DECREE SAID, BECAUSE WARTIME MONETARY ISSUES AND A FLOOD OF FALSE RUBLES LOOSED BY INVADING GERMAN ARMIES HAVE INFLATED THE ECONOMY SO THAT SOME GOODS NOW SELL FOR 10 TO 15 TIMES THEIR PREWAR PRICES.

AP23

THE DECREE ALSO WAS AIMED AT SPECULATORS WHO, IT SAID, HAVE BEEN "ACCUMULATING GREAT AMOUNTS OF MONEY, AIMING AT PROFITS AT THE EXPENSE OF THE POPULATION" OF RUSSIA'S COMMUNIST STATE.

"ABOLUTION OF SUPPLIES 'RATIONING'" WAS MENTIONED AS ONE ASPECT OF THE PLAN.

THE DECREE IMPOSED LIMITATIONS ON THE EXCHANGE OF OLD MONEY FOR NEW AND ORDERED 10 OLD RUBLES WOULD HAVE TO BE GIVEN UP FOR ONE NEW ONE, IF THE CITIZEN BRINGS CASH TO EXCHANGE.

BUT FOR DEPOSITS IN SAVINGS BANKS, AMOUNTS UP TO 3,000 RUBLES WILL BE EXCHANGED AT AN EVEN RATE OF ONE FOR ONE.

"THIS MEANS," THE RADIO SAID, "THAT DEPOSITS BELONGING TO THE OVERWHELMING MAJORITY OF DEPOSITORS ARE PRESERVED IN THEIR PREVIOUS VALUE."

DEC -1947

AP26

THE OLD RUBLE WAS HELD AT 5.3 TO THE DOLLAR IN FOREIGN EXCHANGE. HOWEVER, THE DIPLOMATIC EXCHANGE RATE, AT WHICH DIPLOMATS CHANGE THEIR MONEY, WAS 12 RUBLES TO THE DOLLAR.

THE DECREE SAID IT IS "INTOLERABLE THAT THE SPECULATIVE ELEMENTS WHO ENRICHED THEMSELVES DURING THE WAR, AND ACCUMULATED CONSIDERABLE SUMS OF MONEY, SHOULD HAVE AN OPPORTUNITY TO BUY UP GOODS AFTER THE ABOLITION OF THE RATIONING SYSTEM."

THEREFORE, IT SAID, "THE COUNCIL OF MINISTERS OF THE U.S.S.R. AND THE CENTRAL COMMITTEE OF THE COMMUNIST PARTY OF THE SOVIET UNION HAVE DECIDED TO CARRY OUT A CURRENCY REFORM WHICH PROVIDES FOR THE ISSUE EORCULRCUDNTODNFAESNEMONENEXSOF FULL VALUE, AND THE WITHDRAWAL FROM

FOR CIRCULATION OF NEW MONEY OF FULL VALUE, AND THE WITHDRAWAL FROM CIRCULATION OF FALSE MONEY AS WELL AS OF MONEY NOT OF FULL VALUE."

ANOTHER PRESENT PROBLEM IN THE SOVIET UNION, THE DECREE OBSERVED, IS OF "PROCEEDING TO EXPAND TRADE AT UNIFIED STATE PRICES."

THE OFFICIAL DECREE FOLLOWED BY 10 DAYS A REPORT BY THE U.S. STATE DEPARTMENT OF "PANIC BUYING" INSIDE RUSSIA.

HINTS OF THE PROGRAM WERE DISCLOSED TO THE RUSSIANS DEC. 9 WITH PUBLICATION IN THE COMMUNIST PARTY NEWSPAPER PRAVDA OF A REPORT BY GEORGI MALENKOV, A MEMBER OF THE POLITBURO, THAT CONDITIONS HAD BEEN CREATED FOR "ABOLUTION DURING THIS YEAR OF RATIONING IN THE SOVIET UNION."

THE DECREE OUTLINED A SOVIET PROBLEM OF WAR INFLATION WHICH IS FAMILIAR TO WESTERN NATIONS, SAYING:

"THE AMOUNT OF MONEY IN CIRCULATION HAS CONSIDERABLY INCREASED, AS HAPPENED IN ALL STATES TAKING PART IN THE WAR. SIMULTANEOUSLY, THE PRODUCTION OF GOODS INTENDED FOR CONSUMPTION BY THE POPULATION DECREASED, AND RETAIL GOODS' TURNOVER WAS CUT DOWN CONSIDERABLY."

IN ADDITION, THE DECREE SAID, THE GERMAN INVADERS ISSUED "FALSE RUBLES XXX AND POLLUTED OUR MONETARY CIRCULATION."

AS A RESULT "MONRE MONEY CAME INTO CIRCULATION THAN NECESSARY FOR THE NATIONAL ECONOMY," IT SAID. "THIS PURCHASINGPOWER OF MONEY DECREASED AND SPECIAL MEASURES ARE NOW NECESSARY FOR STRENGTHENING THE SOVIET RUBLE."

SOVIET STATE EXPENDITURE ON THE ARMY AND WAR INDUSTRIES "SHARPLY ROSE" DURING THE WAR WITH GERMANY, THE DECREE SAID, AND "THE ENORMOUS WAR EXPENDITURE DEMANDED THE ISSUE FOR CIRCULATION OF GREAT AMOUNTS OF MONEY."

RATIONING "SUCCEEDED IN PRESERVING UNALTERED THE PREWAR STATE PRICES" FOR ESSENTIAL FOOD AND INDUSTRIAL GOODS, THE DECREE SAID.

"HOWEVER," IT ADDED, "THE DECREASE IN STATE AND COOPERATIVE TRADE WITH CONSUMER GOODS, AND THE POPULATIONS INCREASED DEMAND IN THE COLLECTIVE FARM MARKETS, LED TO AN ACUTE INCREASE IN MARKET PRICES, WHICH IN SOME PERIODS EXCEEDED PREWAR PRICES BY 10 OR 15 TIMES."

DURING THE INFLATIONARY PERIOD, THE DECREE SAID, "SPECULATIVE ELEMENTS MADE USE OF THE EXISTENCE OF A GRET GAP BETWEEN STATE PRICES AND MARKET PRICES, AS WELL AS OF THE PRESENCE OF MASSES OF FALSE MONEY, FOR THE PURPOSE OF ACCUMULATING GREAT AMOUNTS OF MONEY, AIMING AT PROFITS AT THE EXPENSE OF THE POPULATION.

"AT PRESENT, WHEN THE TRANSFER TO OPEN TRADE WITH UNIFIED PRICES HAS BECOME THE TASK OF THE DAY, THE GREAT AMOUNT OF MONEY ISSUED DURING THE WAR HAMPERS THE ABOLITION OF THE RATIONING SYSTEM."

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THE DECREE STIPULATED THAT "WHILE THE CURRENCY REFORM IS BEING EFFECTED, THE WAGES OF WORKERS AND EMPLOYES, AS WELL AS THE INCOME OF PEASANTS FROM STATE DELIVERIES AND OTHER LABOR INCOMES OF ALL SECTIONS OF THE POPULATION, WILL NOT BE AFFECTED BY THE REFORM, BUT WILL BE PAID OUT IN THE NEW MONEY AT THE PREVIOUS RATES."

THE DECREE SAID THE CURRENCY REFORM WOULD BE EFFECTED ON THIS BASIS:

"THE EXCHANGE OF MONEY AT PRESENT IN CIRCULATION AND OF CASH IN HAND FOR NEW MONEY WILL BE CARRIED OUT WITH LIMITATIONS: NAMELY 10 RUBLES IN OLD MONEY FOR ONE RUBLE IN NEW MONEY.

"DEPOSITS OF MONEY IN SAVINGS BANKS AND THE STATE BANK WILL BE REVALUED AT MORE FAVORABLE TERMS THAN THE EXCHANGE OF CASH. THUS DEPOSITS UP TO 3,000 RUBLES WILL BE REVALUED AT ONE RUBLE FOR ONE RUBLE. THIS MEANS THAT DEPOSITS BELONGING TO THE OVERWHELMING MAJORITY OF DEPOSITORS ARE PRESERVED IN THEIR PREVIOUS VALUE.

FOR DEPOSITS UP TO 10,000 RUBLES THE FIRST 3,000 ARE EXCHANGED ON A ONE-TO-ONE BASIS, THE REST AT THREE OLD RUBLES FOR TWO NEW RUBLES. RUBLES IN EXCESS OF 10,000 ARE EXCHANGED AT TWO OLD RUBLES FOR ONE NEW RUBLE.

THE DECREE ADDED THAT "A CONVERSION OF ALL PREVIOUSLY ISSUED LOANS WILL BE CARRIED OUT, WITH THE EXCEPTION OF THE LOAN OF 1947. LOANS ISSUED PREVIOUSLY ARE MERGED INTO A UNIFIED LOAN, THE EXCHANGE TO BE EFFECTED ON THE BASIS OF THREE RUBLES IN PREVIOUS LOANS FOR ONE RUBLE IN THE NEW UNIFIED LOAN, THAT IS, ON THE BASIS OF A MORE ADVANTAGEOUS RATE THAN THE EXCHANGE OF CASH MONEY."

IT SAID ALSO THAT COINS ARE NOT TO BE EXCHANGED, BUT REMAIN IN CIRCULATION AT THEIR FACE VALUE.

THE DECREE OUTLINED A SOVIET PROBLEM OF WAR INFLATION WHICH IS FAMILIAR TO WESTERN NATIONS.

"THE AMOUNT OF MONEY IN CIRCULATION HAS CONSIDERABLY INCREASED, AS HAPPENED IN ALL STATES TAKING PART IN THE WAR," THE DECREE SAID. "SIMULTANEOUSLY THE PRODUCTION OF GOODS INTENDED FOR CONSUMPTION BY THE POPULATION DECREASED, AND RETAIL GOODS TURNOVER WAS CUT DOWN CONSIDERABLY."

THE DECREE SAID THAT THE GERMAN INVADERS ISSUED FALSE RUBLES AND "POLLUTED OUR MONETARY CIRCULATION," WITH THE RESULT THAT MORE MONEY CAME INTO CIRCULATION THAN NECESSARY FOR THE NATIONAL ECONOMY. THE PURCHASING POWER OF MONEY DECREASED AND SPECIAL MEASURES ARE NOW NECESSARY FOR STRENGTHENING THE SOVIET RUBLE."

DURING THE WAR, THE DECREE ADDED, SOVIET STATE EXPENDITURES ON THE ARMY AND WAR INDUSTRIES "ROSE SHARPLY." THE WAR EXPENDITURES DEMANDED THE ISSUE FOR CIRCULATION OF "GREAT AMOUNTS OF MONEY," IT SAID.

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THE DECREE SAID THAT CARRYING OUT OF CURRENCY REVISION IS "A USUAL MATTER IN ALL STATES AFTER GREAT WARS."

"HOWEVER, THE CARRYING OUT OF CURRENCY REFORM IN OUR COUNTRY IS RADICALLY DIFFERENT FROM CURRENCY REFORMS IN CAPITALIST COUNTRIES," IT ADDED.

"THE LIQUIDATION OF THE AFTERMATH OF WAR AND THE CURRENCY REFORM IN CAPITALIST COUNTRIES IS ACCOMPANIED BY LARGE INCREASES IN PRICES ON CONSUMER GOODS X X X AND AN INCREASE IN THE ARMY OF UNEMPLOYED."

BUT IN THE SOVIET UNION, THE DECREE SAID, SUCH REFORM IS BEING ACCOMPLISHED "NOT AT THE EXPENSE OF THE PEOPLE."

"THE NUMBER OF EMPLOYED WORKERS AND EMPLOYES IS NOT BEING REDUCED IN OUR COUNTRY," IT SAID.

"THE RATES OF WAGES FOR WORKERS AND EMPLOYES, FAR FROM BEING REDUCED ARE, ON THE CONTRARY, BEING INCREASED SINCE THE COMMERCIAL PRICES ARE BEING REDUCED BY SEVERAL TIMES, AND IN ADDITION THE RATIONED PRICES FOR BREAD AND CEREALS ARE ALSO BEING DECREASED, WHICH MEANS AN INCREASE IN REAL WAGES FOR WORKERS AND EMPLOYES."

THE DECREE COMMENTED THAT RATIONING HAD SUCCEEDED IN PRESERVING PRE-WAR STATE PRICES FOR ESSENTIAL FOODS AND INDUSTRIAL GOODS.

"HOWEVER," IT ADDED, "THE DECREASE IN STATE AND COOPERATIVE TRADE WITH CONSUMER GOODS, AND THE POPULATION'S INCREASED DEMAND IN THE COLLECTIVE FARM MARKETS, LED TO AN ACUTE INCREASE IN MARKET PRICES, WHICH IN SOME PERIODS EXCEEDED PREWAR PRICES BY 10 OR 15 TIMES."

DURING THE INFLATIONARY PERIOD, THE DECREE SAID, "SPECULATIVE ELEMENTS MADE USE OF THE EXISTENCE OF A GREAT GAP BETWEEN STATE PRICES AND MARKET PRICES, AS WELL AS OF THE PRESENCE OF MASSES OF FALSE MONEY, FOR THE PURPOSE OF ACCUMULATING GREAT AMOUNTS OF MONEY, AIMING AT PROFITS AT THE EXPENSE OF THE POPULATION."

"AT PRESENT, WHEN THE TRANSFER TO OPEN TRADE WITH UNIFIED PRICES HAS BECOME THE TASK OF THE DAY, THE GREAT AMOUNT OF MONEY ISSUED DURING THE WAR HAMPERS THE ABOLITION OF THE RATIONING SYSTEM."

G348PES

LONDON, DEC. 14-(AP)-THE FOLLOWING IS THE TEXT OF SECRETARY MARSHALL'S REPLY, MADE AVAILABLE BY THE AMERICAN DELEGATION TO THE CONFERENCE OF FOREIGN MINISTERS, TO SOVIET CHARGES FRIDAY CONCERNING U.S.ACTIVITIES IN GERMANY (ABOUT 300)

THE U.S.DELEGATION SUBMITS THE FOLLOWING REPLY TO QUESTIONS ADDRESSED TO IT BY THE U.S.S.R. DELEGATION ON DEC. 12, CONCERNING THE ACQUISITION OF GERMAN BUSINESS PROPERTIES BY U.S.INTERESTS IN THE U.S.ZONE OF GERMANY, AND CONCERNING PROFITS MADE BY THE U.S.ON EXPORTS OF COAL AND TIMBER FROM THE U.S.ZONE IN GERMANY.

THE UNITED STATES LONG AGO PROPOSED A MORATORIUM ON THE ACQUISITION OF FOREIGN OWNERSHIP OR CONTROL OF PROPERTY IN GERMANY EXCEPT TO REPLACE PROPERTY DESTROYED OR TRANSFERRED SINCE SEPTEMBER 1, 1939, WITH PROPERTY SIMILAR IN CHARACTER AND VALUE. IT ALSO PROPOSED A REPORT TO THE CONTROL COUNCIL ON:

(A) THE POLICIES FOLLOWED BY EACH OF THE OCCUPYING POWERS IN THIS RESPECT;

(B) A FACTUAL STATEMENT OF THE CHANGES IN FOREIGN OWNERSHIP OR CONTROL OF PROPERTY IN EACH OF THE ZONES SINCE THE OCCUPATION.

THIS PROPOSAL HAS NOT BEEN ACCEPTED. THE UNITED STATES, HOWEVER, HAS SCRUPULOUSLY CARRIED OUT, IN ITS OWN ZONE, THE PRINCIPLE OF THE MORATORIUM THAT IT PROPOSED.

THERE IS NOT ONE SINGLE CASE OF GERMAN BUSINESS PROPERTY THAT HAS BEEN ACQUIRED BY U.S.INTERESTS DURING THE ENTIRE OCCUPATION.

ALL GOODS SHIPPED OUT OF THE U.S. AND U.K.ZONES AND ALL SERVICES PROVIDED FOR FOREIGNERS OUT OF GERMAN RESOURCES HAVE BEEN SOLD AT WORLD MARKET PRICES. NOT ONE PENNY OF THESE PROCEEDS IS DIVERTED TO THE USE OR ADVANTAGE OF THE OCCUPYING POWERS. THIS INCLUDES BOTH COAL AND TIMBER. THE U.S.INVITES THE ASSISTANCE OF THE GERMANS AND OF THE OTHER OCCUPYING POWERS IN OBTAINING FAVORABLE TERMS OF TRADE FOR GERMAN EXPORTS. ALL THE PROCEEDS FROM SUCH EXPORTS ARE USED TO BUY ESSENTIAL IMPORTS FOR THE GERMAN ECONOMY. TOTAL EXPORTS FROM BIZONAL AREA FROM JAN. 1 TO NOV. 1, 1947, TOTAL $165,000,000."

R040RPES

LONDON--FIRST ADD BIG FOUR (BY ALEX SINGLETON)

X X X OCCUPATION. deliveries

IN A FORMAL STATEMENT CIRCULATED AMONG MEMBERS OF THE BIG FOUR FOREIGN MINISTERS COUNCIL, SECRETARY OF STATE MARSHALL ASSERTED THAT "NOT ONE PENNY" OF THESE PROCEEDS IS DIVERTED TO THE USE OR THE ADVANTAGE OF THE OCCUPYING POWERS. HE ADDED THAT THIS INCLUDES BOTH COAL AND TIMBER.

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MARSHALL ASSERTED THAT THE UNITED STATES HAD LONG AGO PROPOSED A MORATORIUM ON THE ACQUISITION OF FOREIGN OWNERSHIP OR CONTROL OF PROPERTY IN GERMANY EXCEPT TO REPLACE PROPERTY DESTROYED OR TRANSFERRED SINCE SEPT.1, 1939, WITH PROPERTY SIMILAR IN CHARACTER AND VALUE.

"THIS PROPOSAL HAS NOT BEEN ACCEPTED," HE SAID. "THE UNITED STATES, HOWEVER, HAS SCRUPULOUSLY CARRIED OUT IN ITS OWN ZONE THE PRINCIPLE OF THE MORATORIUM THAT IT PROPOSED.

"THERE IS NOT ONE SINGLE CASE OF GERMAN BUSINESS PROPERTY THAT HAS BEEN ACQUIRED BY U.S. INTERESTS DURING THE ENTIRE OCCUPATION."

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(ADVANCE FOR USE AT 7 P.M. EASTERN STANDARD TIME TODAY, SUNDAY, DEC.14)

(ADVANCE)..LONDON, DEC 14-(AP)-THE NATIONAL COAL BOARD ANNOUNCED TODAY THAT IT HAS INCREASED THE PRICE OF EXPORTED BRITISH COAL BY 25 SHILLINGS ($5) A TON, BUT DECLINED TO DISCLOSE EITHER NEW OR OLD EXPORT PRICES.

THE PRICE RISE FOR COAL EXPORTS BECAME EFFECTIVE DEC.1 AND A SIMILAR INCREASE FOR BUNKER COAL FOR FOREIGN-BOUND SHIPS WILL TAKE EFFECT JAN.1.

THE AVERAGE PITHEAD COST OF COAL IS 43 SHILLINGS, FOURPENCE (ABOUT $8.60) A TON.

BRITAIN ONLY THIS MONTH RESUMED COAL EXPORTS AND HAS A TARGET OF EXPORTING 10,000,000 (MILLION) TONS NEXT YEAR.

(END ADVANCE FOR USE AT 7 PM EST TODAY SUNDAY DEC.14)

G424PES

LONDON, DEC. 14-(AP)-J. B. PRIESTLEY, ENGLISH WRITER JUST BACK FROM A VISIT TO THE UNITED STATES, SAID IN A BROADCAST TONIGHT POSTWAR BROADWAY LOOKED TO HIM LIKE A "THOROUGHFARE IN HELL."

HE SAID NEW YORKERS THEMSELVES ADMITTED THEIR CITY HAD SUFFERED FROM WARTIME SWARMS OF VISITORS "TOO EASILY PLEASED" IN THE ENTERTAINMENT FIELD.

BESIDES, HE SAID, THEATER STANDARDS APPARENTLY HAVE BEEN LOWERED PARTLY BECAUSE OF "ABSURDLY HIGH COSTS OF PRODUCTION."

"I NEVER HAD THOUGHT THE CITY A HAPPY ONE, AND NOW IT SEEMED MORE DEEPLY BEWILDERED AND FRUSTRATED, MORE RESTLESS EVEN THAN BEFORE IN ITS NIGHTLY PURSUIT OF DIMINISHING PLEASURES," PRIESTLEY SAID.

"YET AS I LOOKED DOWN ON ITS LIGHTS AS I LEFT FOR HOME, I WAS SURPRISED TO FEEL A SUDDEN RUSH OF AFFECTION X X X AS IF A STRANGE, BRILLIANT, UNHAPPY LADY WAS THERE--SEEING US OFF AND WEARING, PERHAPS FOR OUR SAKE, ALL HER JEWELS."

PARIS, DEC. 14-(AP)-FRIENDSHIP TRAIN DONATIONS WILL FEED 320,000 NEEDY FRENCH SCHOOL CHILDREN A MAJOR PORTION OF ONE WARM MEAL PER DAY DURING THE COLDEST PART OF THIS WINTER.

LEADERS OF THE FOUR AMERICAN RELIEF AGENCIES TO DISTRIBUTE THE CARGO BAOARD THE U.S. LINES' AMERICAN LEADER, EXPECTED LE HAVRE TUESDAY, SAID THE MANIFEST ARRIVING TODAY REVEALED THERE ARE 3,200 METRIC TONS OF WHEAT, FLOUR, MACARONI, SPAGHETTI, DRIED BEANS, PEA, AND TINNED FOOD ABOARD.

DIVIDED AMONG CHILDREN IN PUBLIC AND PRIVATE SCHOOLS WERE NOON LUNCHES ARE SERVED, THIS ALLOWS 10 KILOGRAMS, OR ABOUT 22 POUNDS, PER CHILD. THE FOOD WILL BE DISTRIBUTED IN EIGHT WAR TORN AREAS WHERE SCHOOL CAFETERIAS FIND IT DIFFICULT TO MAKE RATIONS GO AROUND.

IT IS BELIEVED NOW THAT ANOTHER 500 TONS ABOARD A SECOND SHIP WILL BE DISTRIBUTED AMONG THE AGED.

A SPOKESMAN FOR THE AMERICAN JOINT DISTRIBUTION COMMITTEE, ONE OF THE FOUR AGENCIES HANDLING THE JOB, SAID THE FOOD WOULD BE DISTRIBUTED TO SCHOOLS WITH THE UNDERSTANDING THAT OTHER RATIONS WERE NOT TO BE REDUCED.

HE SAID FOOD FROM THE FRIENDSHIP TRAIN WOULD BE A MAJOR PORTION OF THESE CHILDREN'S NOON MEALS FOR SIX WEEKS.

THE OTHER AGENCIES HANDLING DISTRIBUTION ARE AMERICAN AID TO FRANCE, CHURCH WORLD SERVICE, AND THE WAR RELIEF SERVICE OF THE NATIONAL CATHOLIC WELFARE CONFERENCE.

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BY FRANK O'BRIEN
ROME, DEC 14-(AP)-WELL INFORMED SOURCES SAID TODAY PREMIER ALCIDE DE GAPSERI, FACING NEW THREATS OF TR

DE GASPERI, FACING NEW THREATS OF TROUBLE FROM COMMUNIST LABOR LEADERS, HAS PRESENTED INFORMALLY TO PRESIDENT ENRICO DE NICOLA A REVISED CABINET LIST INCLUDING MODERATE LEFTIST PARTIES.

ROME'S COMMUNIST PRESS SAID A COMMUNIQUE ISSUED LAST NIGHT FROM DE GASPERI'S OFFICE, DENYING CLAIMS FROM THE COMMUNIST-LED CHAMBER OF LABOR THAT THE GENERAL STRIKE THURSDAY AND FRIDAY HAD WON MAJOR CONCESSIONS FOR UNEMPLOYMENT RELIEF, INDICATED THE GOVERNMENT WOULD RENEGE ON POINTS THE CHAMBER INSISTS THE GOVERNMENT GRANTED.

(IN MOSCOW, THE SOVIET PRESS CARRIED FRONT-PAGE HEADLINES SAYING THE 48-HOUR GENERAL STRIKE IN ROME WAS A "VICTORY FOR THE STRIKING WORKERS.")

REPORTS HERE SAID THAT AFTER LONG NEGOTIATIONS, FIVE MEN FROM GIUSEPPE SARAGAT'S ANTI-COMMUNIST LABOR SOCIALISTS AND THE OLD-LINE LEFTIST REPUBLICAN PARTY HAD BEEN PICKED TO JOIN THE CABINET OF DE GASPERI, CHRISTIAN DEMOCRATIC LEADER. THE UNOFFICIAL SOURCES SAID AN ANNOUNCEMENT OF THE CABINET CHANGES WOULD BE MADE LATER.

BROADENING HIS GOVERNMENT HAS BEEN ONE OF THE PREMIER'S CHERISHED AMBITIONS SINCE HE EXCLUDED THE COMMUNISTS AND PRO-COMMUNIST SOCIALISTS FROM HIS CABINET IN MAY.

ADHERENCE OF THE TWO MODERATE LEFTIST PARTIES TO THE GOVERNMENT WOULD MEAN THE ADDITION OF 76 VOTES IN THE NATIONAL ASSEMBLY, GIVING DE GASPERI 283 VOTES, OR FOUR MORE THAN A MAJORITY. AS LONG AS SUCH A COALITION HELD, ANY COMMUNIST OR RIGHTIST EFFORTS TO UNSEAT DE GASPERI WOULD FAIL.

IL MESSAGGERO, INDEPENDENT ROME NEWSPAPER, SAID THE STRIKE HAD FAILED AND DECLARED, "ALL THESE AGITATIONS AIMED AT OVERTHROWING DE GASPERI END BY STRENGTHENING HIM; EVERY DAY THE COUNTRY IS ORIENTED OMWAY DE GASPERI. X X X"

L'UNITA, COMMUNIST PAPER, AND AVANTI, PRO-COMMUNIST SOCIALIST PAPER, CHARGED THE GOVERNMENT WITH BAD FAITH IN SAYING LAST NIGHT IT HAD GRANTED THE STRIKERS NOTHING BEYOND WHAT HAD BEEN OFFERED BEFORE THEY WALKED OUT.

RW847PES

THE LAST ENLISTED MAN TO BOARD THE SHIP WAS T/4 ALFRED M.PAIVE OF PROVIDENCE, R.I. PHOTOGRAPHERS HAD HIM ASCENDING AND DESCENDING THE GANGWAY A HALF-DOZEN TIMES.

THE SIMS ALSO CARRIED FIVE WAR DEPARTMENT CIVILIANS, 11 RED CROSS PERSONNEL AND 26 OTHER CIVILIANS.

ALSO ABOARD WAS MAJ.E.H.RICHARDSON OF WAYNE, PA., FORMER MILITARY GOVERNMENT PUBLIC WORKS OFFICER IN TRIESTE WHO RECENTLY WAS SENTENCED BY A COURT MARTIAL TO FIVE YEARS IMPRISONMENT FOR ALLEGED CORRUPTION. HE WAS GUARDED BY TWO MILITARY POLICEMEN.

IT WAS EXPECTED THAT THE SIMS WOULD REACH NEW YORK IN EIGHT DAYS WITH GOOD WEATHER--HOME FOR CHRISTMAS.

RW855PES

SOFIA, BULGARIA, DEC 14-(AP)-PREMIER GEN.ENVER HOXHA ARRIVED IN SOFIA TODAY AT THE HEAD OF AN ALBANIAN DELEGATION ON A STATE VISIT. CROWDS SHOUTED "HOXHA, TITO, DIMITROV," HAILING THE LEADERS OF ALBANIA, YUGOSLAVIA AND BULGARIA.

COMMUNIST PREMIER GEORGI DIMITROV OF BULGARIA SAID IN AN ADDRESS FROM THE BALCONY OF THE MINISTERIAL BUILDING THAT THE BALKAN PEOPLES HAVE DECIDED TO "BUILD A GRANTE FRONT FROM THE BLACK SEA TO THE ADRIATIC, FROM VARNA VIA SOFIA, BELGRADE AND TIRANA, ONE GRANITE FRONT OF FREEDOM, DEMOCRACY AND LASTING PEACE AS PART OF THE FRONT OF ANTI-IMPERIALIST FORCES."

G418PES

BERLIN, DEC. 14-(AP)-RUSSIAN-CONTROLLED NEWSPAPERS IN GERMANY LAUNCHED A PROPAGANDA CAMPAIGN TODAY TO PLACE THE BLAME ON U.S. SECRETARY OF STATE GEORGE C.MARSHALL AND THE "IMPERIALISTIC" PRESS IF THE LONDON CONFERENCE OF FOREIGN MINISTERS BREAKS DOWN.

THE CAMPAIGN WAS LED BY THE OFFICIAL RUSSIAN ORGAN IN GERMANY, "TAEGLICHE RUNDSCHAU," WHICH SAID IN A FRONT PAGE EDITORIAL THAT RUSSIAN FOREIGN MINISTER V.M.MOLOTOV, IN HIS BARRAGE AGAINST THE THREE WESTERN POWERS LAST FRIDAY, HAD PRESENTED "A ROW OF INDISPUTABLE FACTS ABOUT THE EXPANSIONIST POLICIES OF THE IMPERIALISTIC STATES IN WESTERN GERMANY."

THE RUNDSCHAU, ALONG WITH OTHER SOVIET-CONTROLLED NEWSPAPERS HERE, PRESENTED MOLOTOV'S CHARGES IN FULL BUT IGNORED THE REJOINDERS MADE BY THE THREE WESTERN MINISTERS.

THE RUNDSCHAU SAID THAT, INSTEAD OF TRYING TO ANSWER MOLOTOV'S CHARGES, THE WESTERN POWERS STARTED AN "ORGANIZED CAMPAIGN" IN THE PRESS TO PROPHESY THAT THE LONDON CONFERENCE WOULD BREAK UP AND THEREBY WERE TRYING TO SINK IT.

"THE IMPERIALISTIC PRESS UNDERTOOK THIS CAMPAIGN ON ORDERS FROM ITS BOSSES," THE SOVIET ORGAN SAID, "AND IMMEDIATELY REPORTED THAT RELATIONS BETWEEN THE BIG FOUR HAD HIT THE LOWEST EBB SINCE THE END OF THE WAR."

THE RUSSIAN ORGAN CHARGED THAT THE UNITED STATES AND BRITAIN HAD EXACTED HUGE REPARATIONS FROM GERMANY AND NOW WERE TRYING TO CHEAT RUSSIA OUT OF ITS COLLECTIONS.

THE WHOLE IDEA, THE RUNDSCHAU SAID, IS THAT "MARSHALL IS TRYING TO CREAT A SITUATION WHICH THE BOURGOISE PRESS IS NOW PROMOTING WITH ITS GREATEST ZEAL."

RW658PES

FOLO MOSCOW (280)
BY RICHARD KASISCHKE
BERLIN, DEC 14-(AP)-THE SOVIET UNION, WHICH TODAY ANNOUNCED A MONEY REFORM TO CURE ITS INFLATED RUBLE CURRENCY, HAS WAGED A STRONG PROPAGANDA CAMPAIGN HERE TO SHAKE GERMANS' FAITH IN THE AMERICAN ECONOMY AND THE AMERICAN DOLLAR.

THIS CAMPAIGN HAS ATTEMPTED TO CONVINCE GERMANS THAT THE AMERICAN ECONOMY IS HELL-BENT FOR DEPRESSION AND THAT THE MARSHALL PLAN FOR EUROPEAN RECOVERY WILL FAIL, WHILE THE ECONOMY OF THE SOVIET UNION IS "CRISIS PROOF."

30.24- 14245

MEANWHILE, IN DEALS WHICH THE AMERICAN MILITARY GOVERNMENT HAS PUBLICLY BRANDED AS BLACK MARKET AND "UNDER THE COUNTER," THE RUSSIANS IN GEMANY HAVE BEEN TRYING TO LAY THEIR HANDS ON AS MANY DOLLARS AS THEY COULD CAPTURE.

IN ADDITION THE RUSSIANS, WHEN SELLING FOR EXPORT MANUFACTURED GOODS PRODUCED IN THEIR OCCUPATION ZONE OF GERMANY, HAVE STIPULATED WHEREVER POSSIBLE THAT PAYMENT SHOULD BE MADE IN DOLLARS OR OTHER HARD CURRENCY AND NOT IN RUBLES.

THIS POLICY WAS PURSUED WHILE RUSSIAN PROPAGANDA WAS ATTACKING THE AMERICAN DOLLAR AS THE INSTRUMENT OF "CAPITALIST ENSLAVEMENT."

WHEN THE U.S. "VOICE OF AMERICA" BROADCAST LAST WEEK REPORTED A RUN ON RUSSIAN STORES BY RUBLE-HOLDERS, THE STORY WAS CENSORED OUT OF RUSSIAN-CONTROLLED NEWSPAPERS IN GERMANY.

THE NEWSPAPERS WHICH WERE FORBIDDEN TO PUBLISH THIS REPORT, MEANWHILE, CONTINUED THEIR BARRAGE OF ATTACKS AGAINST THE U.S. ECONOMY AND PRAISED THE "IRON CLAD ECONOMY" AND THE "NEW DEMOCRACY" OF THE SOVIET UNION AND COUNTRIES OF EASTERN EUROPE WHICH ARE IN THE RUSSIAN ORBIT.

TO SOME GERMANS THE RUSSIAN MONETARY REFORM WAS NO SURPRISE.

PRISONERS OF WAR RECENTLY REPATRIATED FROM THE SOVIET UNION REPORTED THAT THE RUSSIAN ECONOMY, JOLTED BY WAR LOSSES, WAS SHAKY AND THAT BLACK MARKETING AND CORRUPTION WERE THE ACCEPTED THING.

JK529PES

BERLIN, DEC 14-(AP)-THE GERMAN NEWS AGENCY DANA SAID TODAY FRANZ XAVER SCHWARZ, 72, FORMER NATIONAL TREASURER OF THE NAZI PARTY, HAS DIED IN AN INTERNMENT CAMP AT REGENSBURG, IN THE U.S. OCCUPATION ZONE OF GERMANY.

SCHWARZ HELD THE POWER OF ATTORNEY FROM ADOLF HITLER IN ALL FINANCIAL MATTERS OF THE NATIONAL SOCIALIST PARTY.

G425PES

BELGRADE, DEC 13-(DELAYED)-AP)-DR.KARL GUNNAR MYRDAL, EXECUTIVE SECRETARY OF THE UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE, SAID TODAY THAT YUGOSLAVIA IS BECOMING "INCREASINGLY IMPORTANT IN THE ECONOMY OF EUROPE."

MYRDAL ADDED THAT WITH THE PROGRESS OF ECONOMIC PLANS FOR INDUSTRIALIZATION YUGOSLAVIA ALSO WOULD BECOME INCREASINGLY DEPENDENT UPON INTERNATIONAL COOPERATION "ESPECIALLY WITH THE OTHER COUNTRIES OF EUROPE."

MYRDAL, A SWEDE, HAS MADE A WEEK'S STUDY THROUGHOUT THE COUNTRY.

G432PES

CHINESE MILITARY (320)

NANKING, DEC. 14-(AP)-A LIGHTNING THRUST BY COMMUNIST GEN. CHEN KENG IS CRITICALLY THREATENING THE HONAN PROVINCIAL CAPITAL OF KAIFENG IN AN EFFORT TO RELIEVE PRESSURE ON HIS COMRADE GEN. LIU PO-CHENG SOME 175 MILES TO THE SOUTH, PRO-GOVERNMENT FIELD DISPATCHES ACKNOWLEDGED TODAY.

THE ACCOUNTS REACHING THIS CHINESE CAPITAL SAID CHEN'S FORCES, APPEARING OUT OF THE BLUE, WERE 10,000-STRONG ONLY 10 MILES SOUTH OF KAIFENG AND WERE WITHIN A FEW MILES IN OTHER UNSPECIFIED DIRECTIONS.

RAIL TRAFFIC TO CHENGCHSIEN, 45 MILES TO THE WEST, WAS SUSPENDED AS GOVERNMENT GENERALS RACED TO KAIFENG IN ARMORED CARS TO PLOT A HASTY DEFENSE.

COMMUNIST SCOUTING PARTIES AND SMALL GOVERNMENT UNITS WERE REPORTED ALREADY FIGHTING NEAR THE CITY. KAIFENG WAS PUT UNDER MARTIAL LAW WITH A DUSK-TO-DAWN CURFEW.

GOVERNMENT MILITARY SOURCES IN NANKING SAID CHEN'S INTENTION OBVIOUSLY WAS TO TAKE THE HEAT OFF LIU, THE ONE-EYED RAIDER WHOSE ARMY, VARIOUSLY ESTIMATED AT 40,000 TO 100,000, HAS BEEN REPORTED LOOSELY SURROUNDED IN THE RUGGED SOUTH HONAN BORDER AREA.

THESE QUARTERS SAID, HOWEVER, THAT THE PRESSURE ON LIU WAS BEING INCREASED AND THAT SEVERAL SMALL GROUPS ATTEMPTING TO BREAK WESTWARD ACROSS THE PEIPING-HANKOW RAILWAY HAD BEEN DRIVEN BACK EASTWARD WITH CASUALTIES.

WHILE CHEN'S MOVE WAS DESCRIBED AS A SURPRISE, GOVERNMENT COMMANDERS ONLY TWO DAYS AGO HAD INDICATED THEIR AWARENESS OF HIS DANGEROUS POSSIBILITIES BY OFFERING A BILLION-DOLLAR (ABOUT $6,500 U.S.) REWARD FOR HIS CAPTURE. AT THAT TIME HE WAS BELIEVED TO BE OPERATING MANY MILES TO THE NORTHEAST.

(THE COMMUNIST RADIO, HEARD IN SAN FRANCISCO BY THE ASSOCIATED PRESS, MADE NO MENTION OF EITHER CHEN OR LIU, BUT LAID CLAIM TO A SERIES OF SUCCESSES IN THE SHANTUNG PENINSULA AND AROUND TIENTSIN AND TSINGTAO.

(THE BROADCASTS SAID COMMUNISTS HAD RECAPTURED KIAOHSIEN AND KAOMI, 45 AND 62 MILES NORTHWEST OF TSINGTAO, THE PORT OF HAIYANG, 60 MILES NORTHEAST OF TSINGTAO, AND SEVEN UNIDENTIFIED "STRONG POINTS" WEST OF TIENTSIN.)

THE PAPER HSIN MIN PAO SAID FIGHTING HAD BROKEN OUT NEAR CHINHSIEN, IN SOUTHWEST MANCHURIA, WHERE IT SAID THE COMMUNISTS WERE MASSING FOR THEIR SEVENTH OFFENSIVE IN TWO YEARS. ACTUALLY, THE MANCHURIAN WINTER MADE MAJOR OPERATIONS PROBLEMATICAL.

MH1214PPS

CHINESE WAR

NANKING, DEC. 14-(AP)-COMMUNIST GEN. CHEN KENG, IN A LIGHTNING MOVE THAT CAUGHT NATIONALISTS BY SURPRISE, MOVED 10,000 OF HIS MEN TO WITHIN TEN MILES OF KAIFENG, CAPITAL OF HONAN PROVINCE, PRO-GOVERNMENT DISPATCHES SAID TODAY.

THE REPORTS SAID NATIONALISTS ALREADY HAD CLASHED WITH SMALL COMMUNIST GROUPS ONLY A FEW MILES FROM THE CITY. MORE THAN 10,000 REDS WERE SAID TO BE LOCATED TEN MILES TO THE SOUTH.

GOVERNMENT COMMANDERS IN THE AREA ARRIVED IN KAIFENG IN ARMORED CARS FOR HURRIED CONFERENCES. DISPATCHES SAID IT WAS BELIEVED A COMMUNIST ASSAULT ON THE CENTRAL CHINA RAILROAD CITY WAS IMMINENT.

KAIFENG'S SECURITY AUTHORITIES PROCLAIMED MARTIAL LAW AND ENFORCED A DUSK-TO-DAWN CURFEW.

MILITARY SOURCES IN NANKING SUGGESTED CHEN KENG'S SWIFT MOVE WAS DESIGNED TO FORCE AS EASING OF NATIONALIST PRESSURE AGAINST R

DESIGNED TO FORCE AN EASING OF NATIONALIST PRESSURE AGAINST RED GEN. LIU PO-CHENG'S TROOPS, REPORTED SURROUNDED EAST OF THE PEIPING-HANKOW RAILROAD IN THE HONAN-HUPEH BORDER AREA. PRESS REPORTS SAID SMALL UNITS OF LIU'S TROOPS HAD MADE SEVERAL UNSUCCESSFUL ATTEMPTS TO BREAK THROUGH THE GOVERNMENT CORDON.

FROM MUKDEN, THE NEWSPAPER HSIN MIN PAO REPORTED FIGHTING HAD BROKEN OUT IN THE VICINITY OF CHINHSIEN, IMPORTANT RAIL CITY IN THE SOUTH-WESTERN CORNER OF MANCHURIA. THE REPORT SAID COMMUNISTS WERE MASSING FORCES IN THE AREA IN PREPARATION FOR A SEVENTH OFFENSIVE IN THE GREAT NORTHEAST TERRITORY.

LB404APS

WITH NANKING MILITARY (270)
BY JOHN RODERICK

SHANGHAI, DEC. 14-(AP)-TWO AMERICANS BACK FROM LONG STAYS IN CHINESE COMMUNIST TERRITORY IN SHANTUNG AND HOPEH PROVINCES SAID TODAY THE COMMUNISTS WERE PREPARED MILITARILY AND ECONOMICALLY TO FIGHT THE CIVIL WAR "AT LEAST TWO MORE YEARS AND IN ALL LIKELIHOOD LONGER."

ONE OF THE AMERICANS TRAVELED THROUGH COMMUNIST AREAS FOR NEARLY A YEAR ON RELIEF WORK. ASIDE FROM THIS CLUE, BOTH INSISTED ON ANONYMITY.

THEY SAID COMMUNIST SOLDIERS AND PEASANTS ALIKE RECOGNIZED THAT A LONG STRUGGLE LAY AHEAD BUT HAD HIGH MORALE.

AFTER THE COMMUNIST CAPTURE OF SHIHKIACHWANG IN CENTRAL CHINA LAST MONTH, THEY RELATED, COMMUNIST CHAIRMAN MAO TSE-TUNG PRESIDED OVER A MEETING THAT REORGANIZED A COMMUNIST GOVERNMENT EMBRACING NORTHERN HONAN, WESTERN SHANTUNG, HOPEH AND NORTHERN KIANGSU PRO-VINCES.

PRIOR TO THAT TIME AND SINCE THE FALL OF THE COMMUNIST CAPITAL OF YENAN LAST MARCH, EACH COMMUNIST REGION HAD GOVERNED ITSELF INDEPEN-DENTLY, THEY SAID.

THE AMERICANS DECLARED THAT ANTI-AMERICAN PROPAGANDA, FEATURING SUCH POSTERS AS "DOWN WITH TRUMAN" AND "DOWN WITH MARSHALL" WAS EVIDENT EVERYWHERE.

THROUGHOUT THEIR TRAVELS, THEY ASSERTED, THEY SAW NO RUSSIAN WEAPONS OR EQUIPMENT BUT SAW COMMUNISTS WITH MANY JAPANESE AND AMERICAN ARMS, INCLUDING CAPTURED BAZOOKAS.

BOTH WERE IMPRESSED BY AN APPARENT LACK OF BITTERNESS AMONG PEASANTS AND VILLAGERS NEWLY "LIBERATED" BY THE COMMUNISTS.

THIS WAS EXPLAINED BY ONE OLD PEASANT WHO, TYPICALLY, KNEW NOTHING OF MARXISM OR LENINISM BUT WHO PRAISED THE LAND DISTRIBUTION PROGRAM, SAYING:

"THOSE WHO GAIN LAND LIKE IT; THOSE WHO LOSE IT DO NOT. SINCE MORE GET THAN GIVE, THERE ARE MORE SATISFIED PEASANTS."

ONCE GIVEN LAND, THE AMERICANS SAID, THE PEASANTS WILLINGLY FORM LOCAL MILITIA CORPS TO PROTECT IT.

MH1221PPS

WARGTRIAL (125)

TOKYO, MONDAY, DEC.14-(AP)-THE FORMER PRESIDENT OF JAPAN'S WARTIME PLANNING BOARD TOLD THE INTERNATIONAL WAR CRIMES COURT TODAY HE HEARD AS EARLY AS AUGUST, 1941, THAT THE JAPANESE NAVY WAS DIS-MANTLING OIL FIELD MACHINERY FOR USE IN OCCUPIED AREAS AFTER THE OUTBREAK OF WAR. (NAVY MEN AMONG THE 25 DEFENDANTS HAVE TESTIFIED THE NAVY OPPOSED WAR AS LATE AS OCTOBER, 1941.)

THE FORMER PLANNING BOARD CHIEF, TEIICHI SUZUKI, MADE HIS STATEMENT ON CROSSEXAMINATION BY ASSOCIATE PROSECUTOR HENRY G.NOLAN, WINNIPEG, CANADA, AFTER HIS DIRECT DEFENSE TESTIMONY.

SUZUKI ALSO ACKNOWLEDGED UNDER NOLAN'S QUESTIONING THAT THE JAPANESE ARMY HAD ORGANIZED AND FINANCED ATTEMPTS TO SET UP PUPPET POLITICAL REGIMES IN CHINA, OPPOSED TO GENERALISSIMO CHIANG KAI-SHEK'S NATIONSL GOVERNMENT, AS EARLY AS 1939.

WR747PPS NM

TOKYO, DEC. 14-(AP)-THE TOKYO PRESS PLAYED UP TODAY A REPORT THAT POLICE HAD ARRESTED FOUR ENGINEERS OF THE LOCAL LIGHT COMPANY IN A RAID ON A BLACK MARKET RESTAURANT "WHERE FOUR 60-WATT BULBS BLAZED IN AN EIGHT-MAT ROOM" AND AN ELECTRIC HOT-PLATE WAS IN OPERATION.

AN EIGHT-MAT ROOM IS ABOUT 12 FEET SQUARE. THE 240-WATT ILLUMIN-ATION WAS NEWS IN TOKYO BECAUSE MANY DISTRICTS ARE BLACKED OUT AND THE REST ARE ALLOWED ONE 60-WATT BULB PER HOUSEHOLD, WHILE HOT-PLATES ARE FORBIDDEN.

MH325PPS

TOKYO, DEC. 14-(AP)-THE KYODO NEWS AGENCY REPORTED TODAY THAT COAL MINES OF HOKKAIDO, JAPAN'S NORTHERNMOST ISLAND, PRODUCED 275,712 TONS IN THE FIRST 10 DAYS OF DECEMBER, THE LARGEST AMOUNT IN ANY SUCH PERIOD SINCE THE SURRENDER.

MH333PPS NM

DEC -1947

TOKYO, MONDAY, DEC.15-(AP)-BRIG.GEN.CHARLES T.MYERS HAS TAKEN COMMAND OF THE FIRST AIR DIVISION, A MAJOR SUB-COMMAND OF THE U.S. FAR EAST AIR FORCES, WITH HEADQUARTERS AT KADENA AIR BASE ON OKINAWA.

MYERS RELIEVES MAJ.GEN.ALBERT F.HEGENBERGER, IN COMMAND THE PAST 14 MONTHS, WHO IS RETURNING TO THE UNITED STATES. MYERS, OF HUNTINGTON,W.VA., AND A WEST POINT GRADUATE OF 1923, HAS COMMANDED A BOMBARDMENT WING OF THE DIVISION SINCE LAST AUGUST.

EW836PCS NM

MANILA, MONDAY, DEC. 15-(AP)-THE AMERICAN-OWNED MANILA DAILY BULL-ETIN SAID TODAY THERE IS SERIOUS CONCERN HERE OVER A MOVE AT THE HAVANA CONFERENCE OF THE INTERNATIONAL TRADE ORGANIZATION (CAP I, T, O) TO ABROGATE THE PHILIPPINES TRADE ACT. THIS PREFERENTIAL LEGISLATION AIDS PHILIPPINE-AMERICAN TRADE.

"THE PHILIPPINES HAS MUCH TO LOSE IF ANY ABOLITIONIST TENDENCY PREVAILS IN DISRUPTING THE TARIFF-FREE MARKET IN THE UNITED STATES DURING THE NEXT EIGHT YEARS, FOR IT WOULD DEPRIVE THE REPUBLIC OF BASIC IMPORTS ON WHICH ITS FUNDAMENTAL ECONOMY DEPENDS," IT COMMENTED.

30.24- 14247

"CUBA'S SUGAR INDUSTRY, WITH ITS ROOTS IN WALL STREET, IS ALMOST AS VULNERABLE AS THE PHILIPPINES IN THE MATTER OF PREFERENTIAL TRADE. IT ENJOYS TARIFF CONCESSIONS WHICH SHOULD BE EVERY BIT AS SUBJECT TO MODIFICATION THROUGH INTERNATIONAL ACTION. ANY HINT OF PREFERENTIAL CONCESSIONS IN CUBA'S DIRECTION SHOULD BE HIGHLY RESENTED HERE AS DISCRIMINATORY, UNFAIR AND RUINOUS COMMERCIALLY TO THE PHILIPPINES."
WR707PPS NM

MANILA, MONDAY, DEC.15-(AP)-THE REMAINS OF BRIG.GEN.JAMES L.DALTON II, OF BIRMINGHAM, VT., (COPY) ASSISTANT COMMANDER OF THE U.S. 25TH DIVISION WHO WAS KILLED IN NORTHERN LUZON MAY 16, 1945, WILL BE INCLUDED AMONG NEARLY 2,500 BODIES BEING RETURNED TO THE UNITED STATES FROM THE ARMY'S SANTA BARBARA, PANGASINAN CEMETERY.
EW834PCS Burlington

SECOND LEAD PALESTINE (10...
BY JOSEPH C.GOODWIN
JERUSALEM, DEC 14-(AP)-ARAB SOLDIERS OF K... ABDULLAH'S FIERCE TRANS-JORDAN ARMY, IN PALESTINE FOR POLICE D..., WERE REPORTED OFFICIALLY TONIGHT TO HAVE KILLED 14 JEWS AND WOUNDED 15 OTHERS WHEN THEY MACHINE GUNNED A BUS CONVOY NEAR TEL AVIV.
MOST OF KING ABDULLAH'S ARMY, WHICH IS KNOWN AS THE ARAB LEGION, IS ON LOAN TO THE PALESTINE GOVERNMENT FOR POLICE DUTY.
OFFICIAL ACCOUNTS SAID THE JEWISH CONVOY OF SEVEN VEHICLES WAS SHOT UP TODAY AT BEIT NEBALA, ON THE PETAH TIQVA-BEN SHEMEN ROAD.
LEGIONNAIRES SAID THEY WERE ATTACKED BY GRENADIERS IN THE CONVOY AND FIRED BACK. JEWS SAID A TRUCK IN THE CARAVAN RAN INTO AN "UNPROVOKED ATTACK" IN PASSING A LEGION CAMP.

A LATER OFFICIAL VERSION DISCLOSED THAT THE DRIVER OF THE TRUCK LEADING THE CONVOY WAS HIT IN THE SHOOTING AND THE MACHINE CRASHED INTO THE CAMP. GRENADES WERE FOUND IN AND NEAR THE TRUCK AND FRAGMENTS OF GRENADES INSIDE THE CAMP, THIS REPORT SAID.
THE SAME ACCOUNT SAID THE CONVOY HAD BEEN ATTACKED EARLIER, BEFORE REACHING BEIT NABALLA, AND ONE BRITISH SOLDIER HAD BEEN WOUNDED SEVERELY AND ANOTHER SLIGHTLY WHEN AN ARMY TRUCK WENT TO THE JEWS' AID.

A PALESTINE GOVERNMENT SPOKESMAN SAID JEWISH SETTLEMENT POLICE GUARDING THE CONVOY APPARENTLY "LOST THEIR HEADS WHEN THEY SAW A LOT OF ARABS WITH GUNS AND TOSSED A COUPLE OF GRENADES. THE ARABS NATURALLY BELIEVED THEY WERE UNDER ATTACK AND RETURNED FIRE."
THE JEWISH DEFENSE FORCE HAGANA ISSUED THREE STATEMENTS SAYING IT HAD BEEN "THE VICTIM OF AN UNPROVOKED ATTACK WHILE CARRYI G SUPPLIES"

HAD BEEN "THE VICTIM OF AN UNPROVOKED ATTACK WHILE CARRYING SUPPLIES" FOR CHILDREN TO A VILLAGE.
SCATTERED VIOLENCE CONTINUED ELSEWHERE IN THE HOLY LAND IN THE BATTLE BETWEEN ARABS AND JEWS OVER THE UNITED NATIONS DECISION TO PARTITION THE HOLY LAND INTO ARAB AND JEWISH COUNTRIES.

THE UNOFFICIAL COUNT OF VIOLENT DEATHS MOUNTED TO 241 IN PALESTINE AND 363 IN THE ENTIRE MIDDLE EAST FOR THE 15 DAYS SINCE THE U.N. ASSEMBLY VOTED PARTITION.
A HAGANA SOURCE SAID TONIGHT ONE JEW HAD BEEN KILLED AND THREE WOUNDED IN AN ARAB ATTACK ON THE SETTLEMENT OF BEIT ESHEL IN THE NEGEB, THE SOUTHERN DESERT.

JERUSALEM, DEC 14-(AP)-A THREE-TRUCK ARAB PATROL ENGAGED A BRITISH COLD STREAM GUARD UNIT IN A 30-MINUTE SKIRMISH AT A ROAD BLOCK NEAR RAMALLAH EARLY TODAY. ONE BRITISH OFFICER WAS WOUNDED.
THREE ARABS WERE CAPTURED IN THE ENGAGEMENT WHICH FOLLOWED A NIGHT ARAB RAID ON A NEARBY POLICE DEPOT.
AN 18-MONTH-OLD ARAB BOY WAS KILLED AND ANOTHER ARAB WOUNDED BY A GRENADE THROWN AT AN ARAB BUS IN JERUSALEM THIS MORNING.

IT WAS OFFICIALLY ANNOUNCED THAT THE COLD STREAM GUARD ROAD BLOCK UNIT RECAPTURED 77 OF 400 RIFLES OBTAINED IN THE ARAB RAID ON A BRITISH-COMMANDED POLICE FORTIFICATION. A LARGE QUANTITY OF STOLEN AMMUNITION ALSO WAS RECOVERED AND TWO OF THE THREE ARAB TRUCKS WERE FOUND ABANDONED.
A BOMB EXPLODED EARLY TODAY OUTSIDE A JEWISH SHOP IN HAIFA'S KHAMRA SQUARE. THE SHOP WAS DAMAGED BUT NO CASUALTIES WERE REPORTED.
POLICE DETONATED TWO BOMBS FOUND BY A WATCHMAN TODAY OUTSIDE AN ARAB THEATER IN HAIFA.

THREE ARABS WERE WOUNDED, ONE SERIOUSLY, WHEN AN ARAB BUS WAS MACHINE GUNNED BY THREE JEWS BETWEEN BEISAN AND TIBERIAS, IT WAS OFFICIALLY REPORTED.
DN732AES

PALESTINE SEPARATE
CAIRO, DEC. 14-(AP)-HUSSEIN HEIKAL PASHA, PRESIDENT OF THE EGYPTIAN SENATE, SAID TONIGHT RUSSIA SUPPORTED PARTITION OF PALESTINE BECAUSE SHE INTENDED TO MAKE THE PROSPECTIVE JEWISH STATE COMMUNIST.
HEIKAL PASHA, SPEAKING AT HEADQUARTERS OF HIS CONSTITUTIONAL LIBERAL PARTY, ONE OF THE TWO IN THE GOVERNMENT, SAID PARTITION WOULD ENABLE THE SOVIET UNION TO SEND 300,000 ROMANIAN ZIONISTS TO THE JEWISH STATE TO SERVE AS A "FIFTH COLUMN" WHOSE INFLUENCE SOON WOULD TURN IT INTO A COMMUNIST COUNTRY.
THE SPEAKER, LEADER OF THE EGYPTIAN DELEGATION TO THE UNITED NATIONS ASSEMBLY SESSION THAT VOTED PARTITION NOV. 29, SAID THE DECISION WAS "THE MOST CRIMINAL POLITICAL BLUNDER IN HISTORY" AND ANY ATTEMPT TO CARRY IT OUT FORCIBLY WOULD "LEAVE ITS TRACES ON SUCCEEDING GENERATIONS AND AFFECT MILLIONS OF PEOPLE NOT ONLY IN PALESTINE BUT THROUGHOUT THE WORLD."
AN AIDE TO HAJ AMIN EL HUSSEINI, EXILED MUFTI OF JERUSALEM, SAID

TODAY THE MUFTI HAD SPENT CONSIDERABLE TIME RECENTLY DRAWING PLANS FOR A "CONSTITUTIONAL DEMOCRATIC ARAB GOVERNMENT OF ALL PALESTINE." HE SAID THE MUFTI WAS TAKING NO STEPS TO ESTABLISH A GOVERNMENT FOR THE AREA ASSIGNED THE ARABS UNDER THE PARTITION PLAN.

HUSSEINI HAS CONSULTED EXPERTS ON FINANCIAL, ECONOMIC, MILITARY AND OTHER MATTERS IN PREPARING HIS PLAN FOR A UNIFIED HOLY LAND GOVERNMENT, THE AIDE SAID.

RW644PES

CAIRO, DEC 14-(AP)-CAIRO'S LARGEST DEMONSTRATION TO DATE AGAINST THE PROJECTED PARTITIONING OF PALESTINE BEGAN TODAY WITH THOUSANDS OF EGYPTIANS POURING INTO THE SQUARE BEFORE ANCIENT ALAZHAR UNIVERSITY SHOUTING FOR ARMS "TO KILL JEWS" AND DENOUNCING THE UNITED STATES AND RUSSIA.

POLICE DID NOT ATTEMPT TO INTERFERE WITH THE DEMONSTRATORS WHO INCLUDED STUDENTS, WORKERS, MEMBERS OF THE MOSLEM BROTHERHOOD AND A SIZEABLE NUMBER OF CHILDREN.

POLICE OFFICERS ESTIMATED THAT 100,000 PERSONS WERE IN THE MILLING THRONG WHICH JAMMED THE SQUARE AND SURROUNDING STREETS.

FOREIGN-OWNED STORES DISPLAYED POSTERS SAYING: "LONG LIVE FAROUK FOR ARABISM, EGYPT AND EGYPT'S GUESTS. SUPPORT A UNIFIED ARAB STATE IN PALESTINE. DOWN WITH ZIONISM."

JEWISH STORES IN THE SECTOR WERE CLOSED.

G912AES

CRIES OF "TO HELL WITH ZION, LONG LIVE ARMED REVOLUTION," AND "NO MORE BRITISH, NO MORE IMPERIALISM!" WERE ALSO HEARD. A SMALL GROUP BEGAN TO YELL, "AUTHORITY FOR THE PEOPLE!" AND WERE MET WITH "DOWN WITH COMMUNISM, DOWN WITH CRIMINAL RUSSIA! ISLAM IS THE CONSTITUTION OF THE COUNTRY."

JEWISH STORES WERE CLOSED. FOREIGN STORES DISPLAYED SIGNS SAYING "SUPPORT A UNIFIED ARAB STATE IN PALESTINE. DOWN WITH ZIONISM!"

--DASH-- Cairo Addxx 2nd.

BAGHDAD, IRAQ, DEC.14-(AP)-SEVERAL THOUSAND OFFICERS AND SOLDIERS HAVE BEEN RELEASED FROM THE IRAQ ARMY AND WILL BE READY TO PROCEED FULLY EQUIPPED TO PALESTINE WITHIN TWO WEEKS, GEN. HUSEIN FAWZI, FORMER ARMY CHIEF OF STAFF, SAID TODAY.

HE IS THE HEAD OF A MILITARY SUB-COMMITTEE OF A GROUP FORMED TO AID PALESTINE ARABS. THE IRAQI QUEEN MOTHER WILL INAUGURATE A CAMPAIGN TOMORROW TO COLLECT PUBLIC CONTRIBUTIONS FOR THE GROUP.

--DASH--

BEIRUT, LEBANON, DEC.14-(AP)-TWO JEWS WHO PENETRATED A LEBANESE VILLAGE ON THE PALESTINE FRONTIER WERE SEIZED BY ARAB RESIDENTS AND DEPRIVED OF THEIR ARMS, REPORTS HERE SAID TODAY. JEWS FROM NEARBY PALESTINE SETTLEMENTS THREATENED TO ATTACK THE ARAB VILLAGE, BUT BRITISH OFFICERS SUCCEEDED IN RESTORING CALM, THE REPORT ADDED.

EZ137PES

TEHRAN, IRAN, DEC. 14-(AP)-A MOB OF DISSIDENT MEMBERS OF PREMIER AHMED QAVAM'S DEMOCRAT PARTY TONIGHT OCCUPIED THE PARTY'S CENTRAL CLUB, SEVERAL BRANCH CLUBS AND THE EDITORIAL OFFICE AND PRINTING PLANT OF THE PARTY'S NEWSPAPER, DEMOCRATI IRAN. A LEADER OF THE OCCUPYING FORCE SAID "WE ARE HERE TO SAFEGUARD OUR OWN PROPERTIES" BY ORDERS OF THE DEMOCRAT PARTY'S CENTRAL COMMITTEE.

NEWSPAPERS SAID TWO PRO-QAVAM MEMBERS OF PARLIAMENT WERE STABBED YESTERDAY BY OPPONENTS OF THE PREMIER.

RW714PES

FIRST LEAD SOCIALISTS (220)

WROCLAW, POLAND, DEC. 14-(AP)-COMMUNIST VICE-PREMIER WLADISLAW W. GOMULKA TOLD POLISH SOCIALISTS OPENING A FOUR-DAY NATIONAL CONGRESS TODAY THAT RUSSIA WAS A BULWARK OF PEACE "AGAINST IMPERIALISTIC REACTION HEADED BY THE UNITED STATES."

THE FIERY SECRETARY GENERAL OF THE POLISH WORKER'S (COMMUNIST) PARTY, SPEAKING HERE IN THE FORMER GERMAN CAPITAL OF LOWER SILESIA, SAID POLAND'S WESTERN FRONTIER WAS INVIOLABLE.

"THE PRESERVATION OF OUR BORDERS IS THE MAIN AIM FOR OUR SECURITY AND WORLD PEACE," GOMULKA SAID AS THE BAND STRUCK UP THE INTERNATIONALE, COMMUNIST ANTHEM.

(THE UNITED STATES, GREAT BRITAIN AND RUSSIA AGREED AT POTSDAM IN 1945 THAT "PENDING THE FINAL DETERMINATION OF POLAND'S WESTERN FRONTIER," IT SHOULD LIE ROUGHLY ON THE ODER AND WESTERN NIESSE RIVERS, TAKING IN A LARGELY INDUSTRIAL PART OF PREWAR GERMANY.

(THE TERRITORY IS STILL IN DISPUTE IN THE BIG FOUR FOREIGN MINISTERS' COUNCIL, NOW MEETING IN LONDON TO DRAFT A TREATY WITH GERMANY.)

GOMULKA SAID THE CHOICE BETWEEN THE U.S. AND RUSSIAN BLOCS WAS "THE CHOICE BETWEEN WAR AND PEACE." HE CONDEMNED "WAR-MONGERING AND CAPITALISM" AND SAID THE U.S. WAS INFRINGING THE SOVEREIGNTY OF NATIONS THROUGH DOLLAR LOANS.

HE URGED THE WORKING CLASSES TO FIGHT TOGETHER IN AN "ANTI-IMPERIALISTIC AND ANTI-WAR PROGRAM," AND ASSAILED SOCIALISTS "WHO SIT ON THE FENCE AND REFUSE TO GET ON EITHER SIDE."

APPROXIMATELY 1,000 X X X SECOND GRAPH PVS. (A 93).

MO1015PES

A103

WROCLAW, POLAND--FIRST ADD SOCIALISTS (A93) X X X WESTERN EUROPE.

WROCLAW IS IN THE INDUSTRIAL REGION OF SILESIA. BEFORE THE WAR, IT WAS IN GERMANY AND WAS KNOWN AS BRESLAU. SINCE THE ARMISTICE, POLAND HAS ADMINISTERED THE TERRITORY PROVISIONALLY PENDING A FINAL BIG FOUR DECISION ON WHETHER IT IS TO BE POLISH OR GERMAN.

RW621PES

30.24- 14249

BOX WITH RUBLE (120)
MOSCOW, DEC 14-(AP)-HERE'S WHAT HAPPENS TO THE RUSSIAN WORKER UNDER THE NEW CURRENCY REFORM AND END OF RATIONING:
HIS SALARY REMAINS THE SAME.
HE CAN BUY FOOD, CLOTHES OR ANYTHING ELSE IN SUCH QUANTITIES AS HE HAS MONEY TO PAY. THEY ARE NOT RATIONED, BUT PRICES ARE CONTROLLED SOME PRICES ARE REDUCED.
IF HE HAS MONEY IN SAVINGS BANKS OR GOVERNMENT BONDS HE WILL FARE BETTER THAN IF HE HAD THE MONEY IN HIS POCKET, SINCE CASH IS TO BE EXCHANGED AT THE RATE OF 10 OLD RUBLES FOR ONE NEW. UP TO 3,000 RUBLES IN THE BANK WILL BE EXCHANGED ON A ONE-TO-ONE BASIS. BOND HOLDERS GET NEW BONDS WITH A FACE VALUE OF ONE NEW RUBLE FOR EACH THREE FACE VALUE OF THE OLD BONDS.
HIS OFFICE OR FACTORY MUST PAY HIM HIS SALARY IN NEW MONEY FOR THE FIRST HALF OF THE MONTH TO ENABLE HIM TO GET STARTED U
DEC 1947
NDER THE NEW PROGRAM.
VK523PES

MOSCOW, DEC 14-(AP)-LT.COL.RAYMOND MARQUIE, HEAD OF THE EXPELLED FRENCH REPATRIATION MISSION HERE, LEFT MOSCOW LAST NIGHT TO RETURN TO FRANCE. (PARIS SOURCES SAID FRIDAY MARQUIE, A COMMUNIST, MIGHT BE CASHIERED FROM THE ARMY FOR ACCUSING THE FRENCH GOVERNMENT, DURING A NEWS CONFERENCE WEDNESDAY, OF A "SYSTEMATICALLY MALICIOUS ATTITUDE" TOWARD THE U.S.S.R. EXPULSION OF THE FRENCH MISSION FOLLOWED SIMILAR ACTION BY FRANCE TOWARD A RUSSIAN REPATRIATION GROUP).
ILYA EHRENBURG, NOTED RUSSIAN PUBLICIST, IN A THREE-COLUMN ARTICLE IN TODAY'S PRAVDA CALLED THE FRENCH GOVERNMENT "A COALITION OF THE DESPISED." HE DECLARED THAT MEMBERS OF PREMIER ROBERT SCHUMAN'S GOVERNMENT ARE IMITATORS OF THE MORALS OF CHICAGO GANSTERS, SUBMISSIVE BEFORE THE AMERICANS.
MNTEHTRAABURG SAID "NOTES ARE WRITTEN IN WASHINGTON. IN PARIS THAEDV N

SCHUMAN'S GOVERNMENT ARE IMITATORS OF THE MORALS OF CHICAGO GANGSTERS, SUBMISSIVE BEFORE THE AMERICANS.
EHRENBURG SAID "NOTES ARE WRITTEN IN WASHINGTON. IN PARIS THEY ARE ONLY TRANSLATED. THE MINISTERS ARE CHOSEN BY THE FRENCH PREMIER, BUT THE FRENCH PREMIER IS SELECTED BY AMERICAN EXPERTS."
G429PES

MOSCOW--THIRD ADD RUSSIAN (A104) X X X [redacted].
UNDER THE DECREE, THE SOVIET UNION WILL BECOME THE FIRST OF THE LARGER EUROPEAN NATIONS TO TAKE OFF RATIONING COMPLETELY ALL FOOD-STUFFS AND CONSUMER GOODS.
THE RUSSIAN NATION WAS TOLD BY THE GOVERNMENT THAT ANY MONETARY LOSSES SUFFERED BY INDIVIDUALS UNDER THE CURRENCY REFORM WERE "THE LAST SACRIFICES" WHICH WOULD BE DEMANDED OF THEM AS A RESULT OF WORLD WAR II.
THE DECREE SAID CURRENCY REFORM WAS NECESSARY TO ALLOW THE END OF RATIONING AND TO PUT RUSSIAN ECONOMY ON A SOUND BASIS. IT SAID TOO MUCH MONEY WAS CIRCULATING THROUGHOUT THE SOVIET UNION AS COMPARED WITH GOODS TO BE BOUGHT, ADDING THAT THE EXCESS MONEY WAS COMING FROM TWO SOURCES--IMMENSE MILITARY EXPENDITURES WHICH REQUIRED PUTTING LARGE SUMS INTO CIRCULATION AND ALSO FROM "COUNTERFEIT MONEY IN RUBLES" LEFT BY THE GERMAN ARMY WHEN IT WAS OCCUPYING PART OF RUSSIA.
THE OLD RUBLE X X X, 11TH GRAF RUSSIAN BJT UNDER LONDON DATE.
RW744PES

MOSCOW, DEC 14-(AP)-THE SOVIET PRESS DEVOTED PAGE ONE SPACE TODAY TO THE END OF THE 48-HOUR GENERAL STRIKE IN ROME, INTERPRETING IT AS A VICTORY FOR ITALIAN WORKERS.
TASS DISPATCHES PLAYED UP A STATEMENT BY AN OFFICIAL OF THE ITALIAN CONFEDERATION OF LABOR THAT THE DANGER OF A SCHISM BETWEEN UNEMPLOYED AND EMPLOYED WORKERS HAD BEEN AVOIDED BY THE STRIKE.
DN733AES

A65
MOSCOW, DEC 14-(AP)-AMERICAN SOURCES SAID TODAY THAT U.S. AMBASSADOR WALTER BEDEL SMITH, ONE OF SECRETARY OF STATE MARSHALL'S CHIEF ADVISERS AT THE FOUR-POWER FOREIGN MINISTERS' CONFERENCE IN LONDON, EXPECTS TO BE BACK IN MOSCOW BEFORE CHRISTMAS.
G416PES

GREEK BUDGET (260)
BY L.S. CHAKALES
ATHENS, DEC 14-(AP)-THE PIRAEUS LEAGUE OF MERCHANTS PROTESTED TO THE MINISTRY OF SUPPLY TODAY AGAINST SPOILAGE OF FOODSTUFFS ESTIMATED WORTH $4,500,000 (MILLION) WITHIN THE PAST FIVE MONTHS BECAUSE OF FAILURE TO DISTRIBUTE THEM.
PIRAEUS IS THE PORT OF ATHENS.
THE MERCHANTS' LEAGUE REPORTED CHEESE, CANNED MILK, SUGAR, POWDERED MILK, VEGETABLES, CODFISH, HERRING, LARD AND CANNED GOODS SPOILED WHILE LYING IN WAREHOUSES. THE REPORT SAID MORE THAN 100,000 (THOUSAND) POUNDS OF SUGAR WERE POLLUTED.
THE MINISTRY OF JUSTICE ANNOUNCED IT HAD ORDERED AN INQUIRY INTO PHASES OF DISTRIBUTION. ONE ANGLE UNDER INVESTIGATION WAS A REPORT THAT SUPPLIES WHICH A GREEK MERCHANT HAD BEEN GIVEN PERMISSION TO SHIP TO THE GREEK ISLAND OF RHODES ACTUALLY WERE EXPORTED TO OTHER COUNTRIES.
THE AMERICAN MISSION TO AID GREECE REPORTED THAT $75,000,000 (MILLION) WORTH OF SUPPLIES AND EQUIPMENT SHIPPED IN BY THE UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION AND OTHER AGENCIES WERE LYING UNDISTRIBUTED AND IDLE ON DOCKS AND IN WAREHOUSES.
WHILE THESE PROBLEMS OCCUPIED OFFICIAL ATTENTION, THE UNITED NATIONS SPECIAL COMMITTEE ON THE BALKANS SOUGHT TO CLEAR UP FINANCING FOR MAINTENANCE OF SEVEN OBSERVER UNITS ALONG THE GREEK FRONTIER.

THE COMMITTEE VOTED IN SALONIKA YESTERDAY SIX TO ZERO, WITH THREE ABSTENTIONS, TO ASK U.N. SECRETARY-GENERAL TRYGVE LIE FOR A PRECISE ANSWER ON THE QUESTION OF APPROPRIATIONS FOR THE COST, ESTIMATED AT $600,000.

AN AUTHORITATIVE GREEK SOURCE SAID FAILURE OF THE U.N. TO ALLOCATE THE FUNDS MIGHT SERIOUSLY RESTRICT THE COMMITTEE'S WORK. OTHER SOURCES SAID LIE HAD ADVISED UNSCOB NO FUNDS WERE AVAILABLE FOR SUCH OPERATIONS.

EZ108PES

BY SAM DAWSON

HAVANA, DEC. 14-(AP)-FOUR MAJOR CONTROVERSIES HAVE SPLIT THE HAVANA TRADE CONFERENCE AND, AS IT STARTS ITS FOURTH WEEK, THEY ARE STILL UNRESOLVED.

DELEGATES OF 58 NATIONS HERE TO ADOPT A CHARTER FOR AN INTERNATIONAL TRADE ORGANIZATION ARE SHARPLY DIVIDED OVER: IMPORT QUOTAS, TRADE PREFERENCES, THREATS TO SOVEREIGNTY, AND VOTING STRENGTH WITHIN THE ITO ITSELF.

EVERYONE WHO WILL BE QUOTED ON THE SUBJECT SAYS ALL ISSUES CAN BE COMPROMISED SATISFACTORILY--IN THE FACE OF SUCH CONFLICTING EVIDENCE AS:

THE UNITED STATES FINDS UNACCEPTABLE TWO-THIRDS, OR ABOUT 500, OF THE APPROXIMATELY 800 AMENDMENTS PROPOSED TO THE ITO CHARTER DRAFT.

ARGENTINA SAYS A LARGE PART OF WHAT OTHERS CALL "THE ESSENTIAL CODE" OF THE CHARTER IS UNACCEPTABLE TO HER.

THE FIGHT OVER QUOTAS OR QUANTITATIVE RESTRICTIONS ON TRADE IS BEING LED BY THE LATIN AMERICANS.

WHAT IT MEANS IN SIMPLEST TERMS:

IF A NATION WANTS TO DEVELOP ITS OWN MOTOR OR LIVESTOCK INDUSTRIES, IT CAN ELIMINATE FOREIGN COMPETITION BY RESTRICTING TO A MINIMUM THE IMPORTS OF, SAY, AMERICAN MOTOR CHASSIS OR ARGENTINE BEEF.

THE CHARTER DRAFT SAYS THIS USE OF IMPORT QUOTAS MUST FIRST BE APPROVED BY THE ITO IN EACH INSTANCE.

A SIZABLE NUMBER OF "UNERDEVELOPED NATIONS" DEMAND THE RIGHT TO ACT FIRST IN PROTECTION OR ESTABLISHMENT OF THEIR INFANT OR UNBORN INDUSTRIES, AND THEN ASK APPROVAL OF THE ACT ACCOMPLISHED.

THE UNITED STATES AND BRITAIN CONTEND THIS WOULD KILL THE VERY HEART OF THE CHARTER.

LATIN AMERICA IS EXPECTED TO GIVE GROUND, AND THE UNITED STATES AND BRITISH TO MEET IT HALF WAY.

TRADING PREFERENCES, ACCORDING TO THE CHARTER, SHOULD BE ELIMINATED EVENTUALLY. IN OTHER WORDS, CUBA IN TIME SHOULD GET NO BETTER TREATMENT IN SELLING HER SUGAR TO THE UNITED STATES THAN DOES THE DOMINICAN REPUBLIC. EVERYONE SHOULD BE FREE TO PEDDLE HIS PRODUCTS ANYWHERE ON EQUAL TERMS WITH HIS COMPETITORS.

BUT A NUMBER OF AREAS WITH THE SAME TRADING, PRODUCTION AND CONSUMPTION INTERESTS WANT THE RIGHT TO START PREFERENTIAL TRADING SYSTEMS IN THE FUTURE.

THE ARAB LEAGUE, WITH AN EYE ON THROTTLING PALESTINE ECONOMICALLY, WANTS SUCH A PREFERENTIAL TRADING SYSTEM, ALONG WITH THE RIGHT TO BOYCOTT JEWISH GOODS.

PROBABLY BOTH SIDES WILL GIVE A LITTLE ON THIS ONE.

THE SOVEREIGNTY QUESTION MAY BE MORE DIFFICULT OF COMPROMISE.

ARGENTINA WANTS THE ITO TO BECOME A PURELY ADVISORY BODY MAKING ONLY RECOMMENDATIONS. FEW OTHER NATIONS WILL CONCEDE THAT SUCH AN ITO IS WORTH THE BOTHER OF SETTING UP.

B4

THE VOTING ISSUE IS CLEAREST CUT.

ON ONE SIDE ARE ALL THE SMALL NATIONS--WHETHER SMALL GEOGRAPHICALLY OR IN POPULATION OR IN INDUSTRIAL STRENGTH. THEY WANT "ONE NATION, ONE VOTE" IN ALL MATTERS HANDLED BY THE ITO.

ON THE OTHER IS THE UNITED STATES, WHICH HAS TAKEN NO FINAL STAND, BUT HAS STRESSED THE ADVANTAGES OF THE HEAVILY WEIGHTED VOTING SYSTEM WHICH IT MIGHT SEEK IF OTHER DECISIONS GO AGAINST IT.

IN BETWEEN ARE THE BRITISH, FAVORING A LIGHTLY WEIGHTED SYSTEM.

THE HEAVILY WEIGHTED SYSTEM, TAKING INTO ACCOUNT POPULATION, NATIONAL INCOME, AMOUNT OF FOREIGN TRADE, AND "ECONOMIC STRENGTH," WOULD GIVE EACH NATION A BASIC 10 VOTES, BUT THE UNITED STATES A TOTAL OF 378 VOTES, OR 21.2 PER CENT, AND THE BRITISH AROUND 300, OR 15.7 PER CENT.

THE LIGHTLY WEIGHTED SYSTEM WOULD GIVE EACH NATION 100 BASIC VOTES, AND THE UNITED STATES A TOTAL OF 399, BUT ONLY 4.9 PER CENT, AND THE BRITISH 329, OR 4 PER CENT OF THE TOTAL VOTE IN ITO.

UNDER EITHER SYSTEM, THE SMALLEST NATIONS WOULD HAVE LESS THAN 1 PER CENT EACH, WHILE UNDER THE HEAVIER SYSTEM, THE BRITISH AND AMERICANS WOULD CONTROL MORE THAN A THIRD BETWEEN THEM.

RQ/JK432PES

(450) ATOMIC

BY ELTON C.FAY

WASHINGTON,DEC.14-(AP)-THE UNITED STATES' ATOMIC WEAPON PROVING GROUND IN THE REMOTE PACIFIC WILL PROVIDE OPPORTUNITY FOR THE FIRST FIELD TEST OF RADIOACTIVE POISON WARFARE.

BECAUSE SECRECY SURROUNDING THE PROJECT IS OF THE SAME HIGH ORDER AS THAT FOR THE ATOMIC BOMB AND BACTERIAL WARFARE, MILITARY OFFICIALS ARE NOT IN POSITION TO SAY HOW FAR RESEARCH HAS PROGRESSED NOR TALK OF ANY PLANNED TESTS.

HOWEVER, ANY WORK DONE ON UTILIZATION OF RADIOLOGICAL POISONING NECESSARILY HAS BEEN LIMITED SO FAR TO LABORATORY ROOM OBSERVATION AND THE CALCULATION BY SCIENTISTS OF THOSE OBSERVATIONS TO ESTIMATE THE POSSIBLE RESULTS OF ACTUAL RELEASE OF CONTAMINATED MATERIAL OVER A WIDE AREA.

THE UNDERWATER EXPLOSION OF AN A-BOMB AT BIKINI ATOLL, WITH ITS RESULTING CONTAMINATION OF WATER, SHIPS, AIR AND ALL OBJECTS FOR MILES AROUND, REVEALED TO SCIENTISTS THE POSSIBILITIES OF RADIOLOGICAL WARFARE. BUT, SO FAR AS IS KNOWN, THERE HAS BEEN NO BROAD EXPERIMENT WITH WEAPONS TO DISSEMINATE SUCH POISON OTHER THAN THE BOMB ITSELF. LACK OF A TESTING GROUND, SAFELY REMOVED FROM POPULATED AREAS, PRESUMABLY HAS BEEN THE MAJOR FACTOR.

30.24- 14251

ENIWETOK ATOLL, IN THE MARSHALL ISLAND GROUP, WILL PROVIDE THIS.
THE ATOMIC ENERGY COMMISSION, TAKING CARE TO BE NO MORE SPECIFIC THAN TO MENTION "ATOMIC WEAPONS," NOTES THAT THE ATOLL IS ISOLATED, WITH "HUNDREDS OF MILES OF OPEN SEAS IN THE DIRECTION IN WHICH WINDS MIGHT CARRY RADIOACTIVE PARTICLES."
SCIENTISTS HAVE SUGGESTED A VARIETY OF MEANS FOR CONTAMINATING AN AREA--AND POPULATIONS--WITH THE SILENT, INVISIBLE BUT DEADLY DEATH OF RADIOACTIVATED MATERIAL. INCLUDED HAVE BEEN OIL SPRAY, DUST AND OTHER CARRYING AGENCIES, EASILY CHARGED WITH RADIOACTIVITY PRODUCED AS A BY-PRODUCT OF AN ATOMIC ENERGY PILE PLANT. SUCH AGENTS COULD BE CONVEYED EASILY BY AIRCRAFT OR PUT ONTO A TARGET BY LONG RANGE MISSILES OR PROJECTILES.
WHILE ENIWETOK WILL BE USED FOR WHAT THE COMMISSION DESCRIBES AS A "WIDE RANGE" OF EXPERIMENTS, IMMEDIATE INTEREST IS IN NEW TEST EXPLOSIONS OF ATOMIC BOMBS.

A79WX
IN THIS CONNECTION, IT IS NOTED THAT ALMOST A YEAR AND A HALF HAVE ELAPSED SINCE THE LAST A-BOMB WAS DETONATED AT BIKINI. THE TWO BOMBS EXPLODED THEN WERE OF APPROXIMATELY THE POWER OF THE FIRST THREE DETONATED AT ALAMOGORDD, N.M., HIROSHIMA AND NAGASAKI. THEIR NUCLEAR EFFICIENCY, BY OFFICIAL STATEMENT, WAS OF VERY LOW ORDER. THEY UTILIZED ONLY ONE-TENTH OF ONE PER CENT OF THE FISSIONABLE MATERIAL IN THE BOMB.
IN RECENT MONTHS, THERE HAVE BEEN REPORTS THAT SOME NUCLEAR PHYSICISTS WORKING ON MILITARY APPLICATION OF ATOMIC ENERGY HAVE ASKED FOR NEW TESTS TO USE AS A CHECK AGAINST THEIR PENCIL-AND-PAPER COMPUTATIONS INDICATING THAT PROGRESS HAS BEEN MADE IN BETTERING THE EFFICIENCY RATE OF THE BOMB.
THE RECENT FORMAL ANNOUNCEMENT BY THE COMMISSION THAT CONSTRUCTION HAS STARTED ON INSTALLATIONS AT ENIWETOK MAY BE VIEWED AS A DECISION TO LET THE BOMB MAKERS CONDUCT THE DESIRED CHECK ON THEIR PROGRESS.
AB/LT457PES

U.N.
LAKE SUCCESS, DEC. 14-(AP)-TWO MEETINGS OF THE UNITED NATIONS SECURITY COUNCIL, ONE DEALING WITH THE INDONESIAN-DUTCH CONFLICT AND THE OTHER WITH TRIESTE TOP THE U.N. PROGRAM THIS WEEK.
ON TUESDAY THE COUNCIL WILL MEET TO DECIDE WHETHER AUSTRALIA WILL BE ASKED TO CONTINUE AS A MEMBER OF THE THREE-NATION GOOD OFFICES COMMISSION WHICH IS TRYING TO SETTLE THE INDONESIAN FIGHTING. AUSTRALIA WILL LEAVE THE COUNCIL DEC. 31, AND THE QUESTION AROSE WHETHER THAT WOULD FORCE HER OFF THE COMMISSION.
ON WEDNESDAY, THE COUNCIL WILL HOLD A CLOSED MEETING TO DISCUSS THE GOVERNORSHIP OF TRIESTE. THUS FAR THE FIVE GREAT POWERS HAVE BEEN UNABLE TO AGREE ON A GOVERNOR.
RW716PES

NEW YORK, DEC. 14-(AP)-BENJAMIN COHEN, ASSISTANT SECRETARY GENERAL IN CHARGE OF THE PUBLIC INFORMATION DEPARTMENT OF THE UNITED NATIONS, TONIGHT DESCRIBED THE U.N. GENERAL ASSEMBLY'S DECISION TO PARTITION PALESTINE INTO SEPARATE ARAB AND JEWISH STATES AS THE "MOST COURAGEOUS ACHIEVEMENT EVER TAKEN BY AN INTERNATIONAL BODY."
THE DECISION, HE ADDED, WAS TAKEN ON "MORAL RATHER THAN POLITICAL GROUNDS," AND UNITED NATIONS OFFICIALS "FEEL THAT ALL PEOPLES, INCLUDING THE ARABS, WILL COME TO SEE ONE DAY THAT WHEN JUSTICE IS DONE TO ONE PEOPLE, IT IS DONE TO ALL OTHERS."
COHEN SPOKE AT A YESHIVA UNIVERSITY DINNER.
RW1219AES NM

NEW YORK, DEC. 14-(AP)-HENRY F.GRADY, FIRST AMERICAN AMBASSADOR TO INDIA, SAID TODAY HE WAS CONVINCED THE COMMUNAL DISTURBANCES RESULTING FROM THE ESTABLISHMENT OF THE INDEPENDENT STATES OF INDIA AND PAKISTAN ARE OVER.
HE TOLD NEWSMEN ON HIS ARRIVAL FROM NEW DELHI, HOWEVER, THAT TENSION STILL EXISTS AS A RESULT OF THE PARTITIONING OF THE SUBCONTINENT.
GRADY LEFT BY PLANE FOR WASHINGTON SHORTLY AFTER ARRIVING HERE TO CONFER WITH STATE DEPARTMENT OFFICIALS.
"THE GOVERNMENT OF INDIA IS SHOWING A GREAT DEAL OF ABILITY IN SOLVING THE MANY PROBLEMS IT HAS, SINCE THE INDEPENDENCE OF INDIA AND PAKISTAN WAS ESTABLISHED ON AUG. 15," GRADY SAID. "I HAVE GREAT CONFIDENCE IN THE FUTURE OF INDIA."
RW711PES

NEW YORK, DEC. 14-(AP)-A LOVE STORY IN WHICH IT WAS THE GENTLEMAN IN DISTRESS, AND THE FAIR DAMSEL WHO CAME TO THE RESCUE, REACHED A HAPPY CLIMAX TODAY.
A 25-YEAR-OLD POLISH MECHANIC AND A FORMER ARMY NURSE FROM DETROIT FINALLY GOT TOGETHER HERE AFTER SEVERAL MONTHS AND A FINAL WEEK OF MIX-UPS.
NEARLY BROKE AND CARRYING A BOUQUET FOR HIS BRIDE-TO-BE, TADEUSZ S.LATURSKI ARRIVED HERE DEC. 7 TO WED THE FORMER LT.CECILIA M.MITORAY, 24, WHOM HE HAD MET IN CRACOW WHILE SHE WAS ON OCCUPATION DUTY.
BUT MISS MITORAY WASN'T THERE TO MEET HIM, AND THE IMMIGRATION AUTHORITIES WERE. THEY KEPT LATURSKI AT ELLIS ISLAND, AND TALKED OF SENDING HIM BACK TO POLAND UNLESS A $500 BOND WAS POSTED FOR HIM AND UNLESS MISS MITORAY SHOWED UP TO MARRY HIM.
ON LEARNING OF LATURSKI'S RECEPTION, MISS MITORAY, WHO HAD PLANNED FOR HIM TO COME ON TO DETROIT, QUICKLY SUPPLIED THE NECESSARY AFFIDAVITS AND BOND, AND SENT ALONG $100 FOR HIS EXPENSES UNTIL SHE COULD GET HERE HERSELF. SHE ALREADY HAD PROVIDED SWORN STATEMENTS THAT SHE WOULD BE RESPONSIBLE FOR HIS SUPPORT.
HER TRAIN WAS SCHEDULED TO ARRIVE TODAY, AND LATURSKI WENT TO MEET IT. HE HAD ANOTHER BOUQUET READY FOR HER. BUT THEY MISSED

CONNECTIONS, AND THE RE-UNION WAS DELAYED UNTIL HE GOT BACK TO HIS HOTEL.
"I'M AFRAID THEY'RE A LITTLE WILTED," HE SAID IN POLISH, AND HANDED HER THE FLOWERS AS BOTH BEAMED HAPPILY.
IMMIGRATION AUTHORITIES INFORMED THE COUPLE THAT UNLESS THEY MARRIED WITHIN THREE MONTHS, HE CAN BE DEPORTED AS AN ALIEN, BUT BOTH OF THEM AGREED THAT THIS PROBLEM CAN BE EASILY TAKEN CARE OF. NO DETAILS, HOWEVER, WERE REVEALED.
LATURSKI HOPES TO OBMAIN WORK IN A DETROIT AUTOMOBILE PLANT.
RQ543PES

DEC 1947

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DEC. 14, 1944

30.24- 14253

Big 4 Talks End in Failure; Western Powers Put Blame On Russia for Breakdown

MARSHALL MOVES PROPOSAL TO HALT FRUITLESS PARLEY

No Time or Place Set for the Reconvening of Foreign Ministers.

CHARGES ARE HURLED

Reds Alone Refuse to Cooperate on Germany, U.S. Secretary Says.

LONDON, Dec. 15. — (AP) The Big Four Foreign Ministers ended their conference tonight after failing completely to agree on Germany's future and left Europe partitioned between the east and west from the Adriatic to the Baltic.

The United States, Britain and France blamed the Soviet Union for the breakdown—the second by the foreign ministers on the same subject. Russia countered with the charge that the western powers had formed a "common front" and attempted "to heap everything on the head of the Soviet Union."

17 Fruitless Sessions

The most acrimonious session of the council of foreign ministers since the end of the war adjourned after 17 fruitless sessions without even completing an agenda, conference briefing officers said. Neither a time nor a place was set for another meeting.

U. S. Secretary of State George C. Marshall made the proposal to adjourn. British Foreign Secretary Ernest Bevin was quoted as expressing deep uncertainty about any future efforts of the Big Four to make a German settlement.

(The State Department in Washington said Marshall would leave London Thursday on an overnight flight to the United States.)

The breakup probably signals the beginning of a period of more intense rivalry between Russia and the western powers, western observers said, indicating that the United States, Britain and France can be expected now to move as soon as possible to unify western Germany.

As the deadlocked conference drew to a close, Soviet Foreign Minister V. M. Molotov charged that Marshall and Bevin had ignored Soviet proposals "on the agenda of work to be done here." Molotov had spent a large part of the conference attacking the motives of the three western powers in Germany.

Bevin said:

"As a final word, and one we have considered carefully, I would say that the way we have been treated and accused here makes me wonder whether we can ever settle this European and German problem."

Also Fail on Austria

In addition to the breakdown on Germany, the ministers also failed in efforts to restore Austrian independence.

Officials said if and when there are efforts toward a new meeting of the foreign ministers, these approaches will be made through regular diplomatic channels.

The conference in London ended in much the same manner as the meeting of the foreign ministers in Moscow last spring.

Technically, the Big Four broke up on the question of German reparations. Fundamentally the cleavage was much wider, western observers said. The meeting brought out the absolute clash between the Marshall Plan for western Europe and Soviet plans for eastern Europe and the conflict between the western nations' ideas of political freedom and the Soviet idea of central well-policed states.

Marshall and Bevin outlined these fundamental clashes in reviewing the deadlocked issues which the American secretary pointed out were virtually all due to Soviet vetos. Looking directly at Molotov, Bevin declared:

"Over Germany we want a real agreement, no a sham agreement.

"We want a united Germany, not a pretense of unity.

"We want a democratic Germany but not a bogus democracy where a few men exercise tyrannical powers to bend the people to their ends.

"We want a central German government, but not a centralized regime which could again become a dictatorship.

"Above all we do not want a puppet government incapable of moving except as strings are jerked by the occupying powers."

Marshall, in his review of the long series of disagreements, said:

"Three delegations at this conference have registered their willingness to take these decisions here and now. The Soviet Union alone refuses to agree."

He charged the Soviet Union with trying to put Germany under an "economic serfdom" through its demands and said under these conditions a "free government" would not exist.

The American secretary, who during the confeence declined to answer most of Molotov's repeated charges, declared Soviet practices "in eastern Germany have prevented Germany from playing its part in the recovery of Europe."

Marshall accused Russia of trying to seize property interests in Germany "under the guise of reparations" and cited the creation of a 'gigantic Soviet trust which enjoys special privileges and which is put above German law presumably in perpetuity."

Molotov repeated the Soviet charges against the western powers such as the alleged desires of the British and Americans to partition Germany, hold down her industry and get the Germans in debt. He said of Marshall's request for an adjournment;

"This cannot be regarded as otherwise than a desire to get a free hand and act unilaterally as has been the case in the past."

Molotov declined either to agree to or protest the adjournment of the conference.

Intense Rivalry Between East, West Is Seen

London, Dec. 15 (AP)—The London conference of Big Four Foreign Ministers ended tonight in complete failure to agree on the economic unity of Germany or an Austrian independence treaty.

Secretary of State Marshall made the proposal to adjourn.

Western observers indicated that the breakup probably signals the beginning of a period of more intense rivalry between Russia and the western powers, with the United States, Great Britain and France expected to move as soon as possible to unify western Germany.

The meetings began November 25. Today's session was the seventeenth. It lasted 45 minutes longer than the usual three hours.

In the closing period, Russian

New Molotov Proposal

Foreign Minister Molotov came forward with a new proposal for solving the Austrian problem which, western diplomats said, would give Russia two thirds of the Austrian oil production.

The whole subject of the Austrian treaty was referred to the ministers' deputies.

The adjournment was indefinite. No time was set for a future meeting. Officials said if and when there are efforts toward a new meeting, these will be made through regular diplomatic channels.

The western powers were reported to have protested in the final session against Russian's repeated blasts at their policies in Germany.

This information came from French sources while today's meeting was still in progress and the outcome was in doubt.

Secretary of State Marshall and Foreign Ministers Bidault of France and Bevin of Britain were reported by these informants to have told Russia's V. M. Molotov that the line of bitter denunciation he followed in his speech Friday night was not the right line for arriving at Big Four agreements on Germany.

Replying In Russian

When the three Western Ministers finished, French informants said Molotov began a lengthy statement in Russian which would have to go through both French and British translations before its full import could be known and responses made.

Marshall had entered today's meeting, according to some of his closest associates, ready to move for an early end to the conference unless Molotov showed a willingness to compromise on Russia's reparations demands.

He reached this decision, American informants said, after Molotov's speech Friady had firmly restated Russia's reparations position without specifically suggesting a line of compromise, and bitterly denounced the conduct of the occupying powers in Western Germany.

Profiteering Is Denied

Marshall yesterday categorically denied that the United States or Britain had received any profit from transactions in western Germany as charged Friday by Molotov.

Marshall declared that discussion of the German problem was "unreal" in the absence of figures on Russian reparations removals and demanded that the Soviet Union give an immediate accounting.

The majority of the American delegation obviously feels that it is useless to go ahead with the remainder of the agenda in view of the Soviet stand to date, and Molotov's answer to Marshall's request probably will determine whether or not the conference continues.

Marshall's statement, issued during a week-end cooling-off period that followed Moltov's angry charges against the Western powers Friday, constituted an almost unprecedented action.

First Propaganda Reply

It apparently reflected a belief in American quarters that Molotov's repeated attacks on the United States might be making some impression on European public opinion and that a detailed reply was necessary.

Until now, Marshall has refused to answer Molotov's long tirades on the ground that he was here to negotiate and not to propagandize.

In his statement yesterday, Marshall pointed out that Russia had refused to accede to a proposal months ago that all the occupying powers make public their policy on financial matters and other transactions in their respective zones.

Own Proposal Followed

He also declared:

1. The United States "long ago" proposed — without success — a moratorium on the acquisition of foreign ownership or control of property in Germany.

2. It has scrupulously carried out in its own zone the moratorium it proposed.

3. It attempted in vain to obtain "factual statements" on the changes in foreign ownership of property in each of the zones of occupation.

4. There has not been a single case of American acquisition of German business property during the entire occupation.

Marshall added that all goods—including both coal and timber—shipped out of Germany from the American and British zones have

Statements by Marshall and Molotov at Closing Session of Big Four

been sold at world-market prices, and the proceeds have gone to buy "essential imports for the German economy."

He said these German exports had amounted to $165,000,000 since the first of the year.

One of Molotov's moves in the final round of maneuvering was to propose that the Council of Foreign Ministers hear representatives of the so-called people's congress of Germany, a Communist-sponsored group organized in Berlin. The suggestion received no response and was dropped without action.

In his summary of the lack of agreement, Marshall repeatedly referred to the three-to-one split which divided the West and East and told of instances in which the cleavage occurred.

Sees Progress Blocked.

"In view of these facts, it seems impossible at this time to make practical progress," American officials quoted him as saying. "I reluctantly conclude that no useful purpose would be served by a debate on the other points of our agenda, and I suggest that the Council of Foreign Ministers might now consider adjournment at this session."

Marshall went through the conference record point by point. On the Austrian treaty, he said the three western delegations had agreed to accept a compromise proposal on the controversial question of German assets in Austria.

"On December 4, it was rejected by Mr. Molotov, who added that he had no new proposals to make on the subject," Marshall said. "Thus the Soviet delegation has persistently blocked an agreement by reason of its unjustified demands on Austria."

Takes Up Germany.

He then took up the question of Germany.

"Three of the delegations agree that boundary commissions be at once established to examine all frontier questions," he said. "The Soviet Union rejects this proposal, so we neither agree on what Germany is to be nor do we agree on establishing commissions to study these vital boundary problems."

On the question of economic principles for Germany, Marshall said:

"The Soviet Union has refused to furnish vital, necessary information with respect to reparations removals. Thus we have been asked to reach an agreement while information essential to such an agreement is withheld by the Soviet representative.

"The Soviet delegation has refused to agree to the relinquishment of a property interest in Germany, unilaterally received under the guise of reparations. As matters now stand a large share of the produce of the eastern zone of Germany is drawn off for the Soviet account. An important part of its industry has been placed in a gigantic Soviet trust which enjoys special privilege and which is put above German law, presumably in perpetuity.

Makes Help Necessary.

"These Soviet practices in eastern Germany have prevented Germany from playing its part in the recovery of Europe. In fact they have greatly increased the necessity for outside aid provided by the United States and the United Kingdom to enable western Germany to live."

Marshall described the Soviet Union's demands for $10,000,000,000 reparations as "utterly impossible of achievement on factual, economic grounds."

"If real economic unity could have been established, the United States would have been ready for the German people to be immediately accorded, under agreed controls, self government with the authority, responsibility and initiative this entails," Marshall declared.

The American continued:

"But a free government cannot succeed under conditions of economic serfdom. . . . A German government of any type established to function in present conditions and under the supervision of the control council reflecting these basic disagreements would be powerless."

Bevin, Too, Attacks Soviet.

Bevin made a lengthy attack on Russia's policies, British informants said.

"My country, among others, has been falsely accused for propaganda purposes of taking things out of Germany," Bevin was quoted. "This is quite untrue."

He cited millions spent by Britain in Germany since victory and said that people in the United Kingdom had gone without food so that sustenance could be sent to feed Germans.

Bevin declared that nothing of "fundamental character" had been settled during the conference chiefly because of Soviet insistence upon top priority for reparations claims.

Austrian independence has long since been agreed upon, along with no claims for reparations from that country, Bevin declared, adding: "Now we find, by extra-territorial methods, she will be paying reparations forever."

Russia Blames U. S. For Parley Breakdown

LONDON, Tuesday, Dec. 16—(AP) The Russian news agency Tass said today in a London dispatch that the breakdown of negotiations in the council of foreign ministers was caused chiefly by the United States delegation.

Tass said an American decision to end the conference was reached several days ago and that the discussions were maneuvered so a final disagreement arose on the issue of reparations in an effort to saddle the Soviet Union with responsibility for the negative outcome of the meeting.

"The facts testify that the American delegation came to the session with a previously elaborated plan not to have its hands tied by any decision which would prevent the final splitting off of the western German regions, where the Anglo-American authorities are already ruling the roost x x x," Tass said.

The dispatch added it was significant that for several days the London press has been full of speculation on the formation of a west German state.

LONDON, Dec. 15 (AP)—Following are the texts of statements made at the Foreign Ministers' meeting today by Secretary of State Marshall, as given out by the United States delegation, and an incomplete text of a statement by Soviet Foreign Minister Molotov, as distributed by the Soviet Embassy:

First Marshall Statement

The United States came to this conference to work for a comprehensive settlement which would overcome the present division of Germany. It hoped to obtain agreement on a treaty for Austria and the re-establishment of that country as a free and independent state.

As regards Germany, the United States sought to achieve at this meeting a solution which would revive German economy through economic unity, thus enabling Germans to contribute to the restoration of Europe, which has so grievously suffered from German aggression. The United States recognized that Germany, in its present state of destitution, would require outside assistance and was prepared to accept a fair share of the burden of such aid until a unified Germany could become self-sustaining.

The Soviet delegation Friday evening put forth a statement regarding reparations which, to put it in the simplest of terms, is not at all acceptable to the United States delegation. That is the situation as I now understand it.

Second Marshall Statement

We have reached quite evidently a fundamental difference regarding the question of reparations. Mr. Molotov's last statement seemed to me a repetition of statements which we largely felt were without foundation. Now, at the expense of some repetition of the views Mr. Bevin has just stated, I would like to review the situation as it is seen by the United States delegation.

The United States hoped there would emerge from this conference the beginnings of a united and self-respecting Germany which could find its way back to peace and freedom and achieve its own well-being and redemption through cooperative effort with other European countries.

The United States had even higher hopes for an Austrian settlement.

It will be useful, I think, at this point to see just where we are.

We have failed to reach agreement on a treaty for Austria because the Soviet Union has demanded for itself properties and special privileges in Austria in an amount and to an extent which far exceed any rightful claims and which far exceed what a free Austria can afford. If Soviet claims were admitted, it would be at the price of Austrian independence and in violation of past agreements.

Three Powers in Accord

At Moscow the United States, the United Kingdom and France, although differing in some details, found a common basis for agreement on the essential unagreed article in the Austrian treaty—the problem of German assets. The Soviet Union was in disagreement. To resolve our differences we appointed a treaty commission, which for five months conferred in Vienna last summer. Again three delegations found a common approach. Again the Soviet Union was in disagreement. At the present meeting the French delegation presented a new proposal for a concrete settlement which sought to avoid the problems that had prevented agreement. To three delegations that proposal appeared to present a practical basis for settlement. On Dec. 4 it was rejected by Mr. Molotov, who added that he had no new proposals to make on the subject. Thus the Soviet delegation has persistently blocked agreement by reason of its unjustified demands on Austria.

As regards Germany, taking first the subject of frontier, we have been unable to agree on what we mean by Germany. Three delegations are in accord that the Saar territory should be detached from Germany and economically integrated with France. The Soviet Union does not agree.

With respect to the eastern boundary of Germany, the Potsdam protocol clearly provided that the "final delineation of the western frontier of Poland should await the peace settlement."

The United States believes that an effort should be made to establish a frontier which, while it would compensate Poland, would not become a formidable economic barrier preventing Germany access to food and raw materials from this eastern area upon which it has heavily depended.

Commissions Are Opposed

Three of the delegations agree that boundary commissions be at once established to examine all frontier questions. The Soviet Union rejects this proposal. We neither agree on what Germany is to be nor do we agree on establishing commissions to study these vital boundary problems.

In examining the discussions on economic principles, we have progressed only in agreeing to procedures without substance.

We have failed to reach agreement on sharing of the financial burdens. An ostensible agreement on the equitable distribution of indigenous resources is deprived of all meaning by the Soviet demand for continuation of present Soviet withdrawals of current German production for reparations.

The Soviet Union has refused to furnish vitally necessary information with respect to reparations removals. Thus, we have been asked to reach agreement while information essential to such agreement is withheld by the Soviet representatives.

The Soviet delegation has refused to agree to the relinquishment of property interests in Germany unilaterally seized under the guise of reparations. As matters now stand, a large share of the produce of the eastern zone of Germany is drawn off for the Soviet account. An important part of its industry has been placed in a gigantic Soviet trust which enjoys special privilege and which is put above German law, presumably in perpetuity.

These Soviet practices in Eastern Germany have prevented Germany from playing its part in the recovery of Europe. In fact, they have greatly increased the necessity for the outside aid provided by the United States and the United Kingdom to enable Western Germany to live. Nevertheless, the Soviet representatives have chosen to charge that this aid has as its purpose to use Western Germany as a "strategic base against the democratic states of Europe" and to advance "expansionist aims." Apart from the complete absurdity of these charges, to discontinue this aid to

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some 40,000,000 Germans in the United States and United Kingdom zones until they have become self-supporting would doom them to mass starvation.

Reparations Demand Cited

The Soviet Union demands reparations for itself and Poland of $10,000,000,000 at 1938 values, which is at least $15,000,000,000 today. These reparations payments, to an undisclosed degree, would take the form of current production over twenty years. This demand is not in accordance with the Potsdam Agreement. It is utterly impossible of achievement on practical economic grounds. It implies the establishment of an economic power so comprehensive that it would be in reality a power of life and death over any German government.

It was accepted by all at Moscow that full agreement on economic principles was essential to the establishment of political unification. We are unable to agree on what shall be the area of German economy; we cannot agree how to make German resources available to Germany at a whole; a condition prerequisite to the revival of German economy; we are confronted with a demand for reparations in excess of the Potsdam Agreement which would make a German government subservient to its reparations creditor. It is therefore clear that agreement can be reached only under conditions which would not only enslave the German people but would seriously retard the recovery of all Europe.

If real economic unity could have been established, the United States would have been ready for the German people to be immediately accorded, under agreed controls, self-government with the authority, responsibility and initiative this entails. But free government cannot succeed under conditions of economic serfdom. True political and economic unity would require a free movement of goods, persons and ideas throughout Germany, and the establishment of a rule of law and political freedom, which the occupying powers themselves would respect.

"Powerless" Regime Feared

A German government of any type established to function in present conditions and under the supervision of a Control Council reflecting these basic disagreements would be powerless. In such circumstances a German government would be only a facade and its establishment would subtract from rather than add to a real union of the German people. It is useless to debate the characteristics of a German government when actual governmental power would be elsewhere.

The simple fact is the present division of Germany has been caused by the policies and practices of the occupying powers themselves. Only the occupying powers can create German unity in the present circumstances. That is why the United States has consistently pressed for certain fundamental decisions by the occupying powers themselves as the absolutely essential first step for the achievement of a unified Germany.

Three delegations at this conference have registered their willingness to take these decisions here and now. The Soviet Union alone refused to agree.

In view of these facts, it seems impossible at this time to make practical progress. Therefore I reluctantly conclude that no useful purpose would be served by a debate on the other points on our agenda and I suggest that the Council of Foreign Ministers might now consider adjournment of this session.

Statement by Molotov

It is evident that Mr. Bevin and Mr. Marshall have decided to act according to a plan instead of discussing the questions we set ourselves to deal with. Bevin and Marshall were unwilling to discuss specific Soviet proposals in an attempt to place questions under consideration on a different footing.

The responsibility for this will have to be borne by those who changed the direction in which up to now the Council of Foreign Ministers has been working.

The French delegation has not stated its view on Mr. Bevin's and Mr. Marshall's attitude, but at the same time has not objected either. One can conclude, therefore, that the French do not object to this plan of Mr. Bevin and Mr. Marshall.

Well, this concerns the statement I made on Friday that the three Western delegations have united into a single front against the Soviet Government's reparations claims.

Mr. Bevin's speech was not long but it contains so many things which were incorrect that it would take a long time to show how unfounded and contradictory they were.

Mr. Marshall supplemented them by a number of additional charges which, to a still greater extent, contradicted the facts. Attempts were made, therein, to blame Russia for this failure to agree. But they will not succeed in this because there is a Soviet statement which precisely sets forth the views on the question of the Soviet Government. And any attempts to pervert this will not benefit anyone.

French Proposal Mentioned

The Soviet delegation indicated a possibility existed of making a concession in regard to the question of German assets in Austria on the basis of the new French proposal.

But this was not considered by the Council of Foreign Ministers despite the fact that the Soviet delegation said it was prepared not to insist on retaining all the German assets in its possession. We are now being saddled with a refusal to consider the question on its merits.

As to Germany, the Soviet Union has shown how Allied decisions on reparations are being wrecked and how decisions on reparations, when they concern equipment, already have been wrecked. No facts refuting this have been cited either by Mr. MHarshall or Mr. Bevin.

I am bound to say that if the view of the eighteen-nation Inter-Allied Reparations Agency were sought it would also let us know they considered the present state of affairs on account of reparations equipment to be absolutely intolerable. It is possible to pass these facts over in silence. But one should remember that not only Soviet interests but the interests of the eighteen states comprising this reparations agency are affected.

What is important to the Soviet delegation are facts—not unsubstantiated statements.

The Soviet delegation raised the question of current deliveries on account of reparations and on Friday made a definite proposal.

It would be enough, we said, to raise the level of industry in Western Germany from its present 35 per cent proportion of the 1938 output to 70 per cent. This would have made the payments of reparations to Russia to the extent of 10 per cent possible, since 10 per cent out of a total production of 70 per cent would already, to a great extent, solve the whole question.

But only France agreed to discuss this proposal, even though the French delegation objected to it. Neither Mr. Marshall nor Mr. Bevin dared to speak against it, however, as it provided a complete answer to the problem.

The Soviet proposal was intended to bring about a change in the policy on the running of industry in West Germany. * * * To have accepted the Soviet proposal would have meant refusing to retard the development of Germany's peaceful industry. The Soviet delegation considered it necessary to give up this policy of hampering Germany's economic revival openly, and to enable German industry to recover sufficiently to meet her own needs and those of other countries.

If we retard German industry then of course new expenses will inevitably be incurred by the Western powers for the import of food and other necessities. It will mean that both the population of Western Germany and the taxpayers of Britain and America will be forced to pay for the import of food.

The Soviet delegation states that Germany can get everything necessary without having to contract great and heavy debts if only the German people are given the opportunity to develop peaceful industries and their agriculture.

It is significent that the eastern zone of Germany has contracted no debt, whereas the dollar debts in the Anglo-American zones are rapidly increasing. Why? Because the development of industry in the west is being deliberately retarded and so Western Germany has nothing with which to pay for her imports. * * *

The Soviet delegation believes the Council of Foreign Ministers should take immediate steps to restore Germany's economic and political unity.

It is suggested, therefore, that the Council of Foreign Ministers should record its view that the establishment of separate governments in any part of Germany would be incorrect and that the country needed an all-German government representative of a single democratic state. This proposal was rejected. It showed that the Western powers do not place a high value on the unity of Germany. They prefer to pursue their own separate policies which lead to the split of Germany.

The Soviet delegation considered that the question of preparing a German peace treaty be undertaken without delay in order to settle Germany's unity. This proposal was not accepted by the three Western delegations, either.

The Soviet delegation considers it to be impossible to delay any more the participation of the Germans themselves in their country's economic and political unity. Therefore, we proposed the establishment of all-German economic departments. Additionally, we proposed that the absence of an all-German representative body—expressing the views of the democratic public of all Germany—would have an adverse effect on reforming the life of the whole people. We suggested, therefore, that the Council of Foreign Ministers should urgently create a German advisory council in Berlin.

It seems that this proposal, too, stands no chance of being accepted by the three Western delegations.

Mr. Marshall's proposal for the adjournment cannot be considered as anything else but a desire to untie his hands so that he can continue to act as unilaterally as he has done in the past.

We expect to be told on this point that three delegations already have agreed and that it remains only for the Soviet delegation to agree—or otherwise continuation of the sessions of the Council of Foreign Ministers will be impossible.

This always is your response.

But it should not be forgotten that it is impossible to talk to the Soviet Government in the same manner as you talk to the present Greek Government.

I submit it is possible to settle any questions with the Soviet Government if there is a desire to take into account its views. It is only by agreement that it is possible to solve our problems correctly.

Soviet Reports Withdrawal

London, *Tuesday*, Dec. 16 (AP)—The withdrawal of Soviet troops from Bulgaria in accordance with the terms of the Bulgarian peace treatey wes completed yesterday, the Russian news agency Tass said.

Greece May Get 'Freedom'

London, *Tuesday*, Dec. 16 (AP)—The Soviet news agency Tass said today in a dispatch from Rome that Nicholas Zachiarades, Greek Communist leader, had predicted in a radio broadcast that "the creation of a free democratic government in free Greece is a matter of the next few days."

Coal Price Increased 50 Cents A Ton In Britain

London, Dec. 15 (AP)—The National Coal Board tonight increased the price of coal 2 shillings, 6 pence (about 50 cents) a ton, effective December 31.

The increase was intended to offset in part a weekly wage boost of 10 to 15 shillings (about $2 to $3) granted miners in the nationalized pits last month.

Coal now varies in price per ton in different sections of Great Brit-

BRITAIN GETS GIFT APPLES

600 Bushels Offered Children By Pennsylvania Growers

Southampton, England, Dec. 15 (AP)—A score of children stood on the docks here today and watched with eager attention the unloading of 600 bushels of apples.

The fruit was a gift to them and other Southampton school pupils from the growers of Franklin county, Pennsylvania, in memory of Sergt. Paul Shimer, of Chambersburg, who was killed in France. Shimer was the one-millionth American soldier to clear through the port of Southampton during the war.

Along with the apples were $3,000 worth of lard and corned beef, given by the people of Chambersburg for distribution to the "needier" children.

Yule Parties Planned

Distribution of the apples is planned for Friday at Christmas parties to be held at each of the schools. The largest of those festivities marking the start of the Christmas holidays will be held at the Bassett Greet School in Honeysuckle road.

The British Broadcasting Corporation will record that distribution for its trans-Atlantic broadcast December 24, newsreels will be taken, and messages of greeting to the people of Franklin county will be be read by Mayor Frank Dibben and Councillor Reginald J. Stranger.

Fulfilled Promise

Stranger, then Mayor of Southampton, greeted Shimer in 1944 and promised to visit Chambersburg after the war. Last May he fulfilled his promise and paid his respects to Shimer's widow and their yound daughter, whose education he underwrote.

It was then that Franklin county apple growers offered the fruit for the children of Southampton.

"Both the apples and the food

will warm the hearts of thousands of children this Christmas," Stranger said today. "It is a wonderful gesture from the people of Franklin county—a gift in the true spirit of Christmas."

No Longer a Referee.

Paris, Dec. 15 (A. P.).—The newspaper Paris-Presse today quoted French Foreign Minister Georges Bidault as saying his country "cannot act any longer as a referee between the U. S. S. R. and the United States."

"It becomes obvious that the U. S. S. R.'s efforts no longer are aimed at peace," Bidault was quoted in an interview.

He was further quoted as saying that France had done "everything possible to help Moscow and Washington understand one another, even at certain times when this policy raised for France a point of conscience." France did this, he said, because she thought she was working for peace."

Bidault is "ready to try again when the possibility of an agreement comes, but now I am like a man on a boat that cannot move as there is no water under it," the Paris-Presse account said.

5 MORE MEMBERS IN ITALIAN CABINET

Rome, Dec. 15 (A. P.).—Premier Alcide de Gasperi added five new Ministers to his hard-pressed Christian Democratic Cabinet tonight, bringing the support of the Labor Socialist and Republican parties to the fight against the Communist-dominated extreme left.

President Enrico de Nicola swore in these new Ministers:

Giuseppe Saragat, former Ambassador to France and leader of the moderate left Labor Socialist party, Vive-Premier.

Randolfo Pacciardi, leader of the leftist Republicans, Vice-Premier.

Cipriano Faccentti, Republican, Minister of Defense.

Ludovico D'Aragona, Labor Socialist, frequently arrested for leftist activity and forced to flee Italy to France as early as 1895, Minister of Posts and Telecommunications.

Roberto Tremelloni, Labor Socialist, a Milan Merchant and employment expert, Minister of Industry and Commerce.

Italian Premier Braces Cabinet

Rome, Dec. 15 (AP)—Premier Alcide de Gasperi's office announced today he had concluded negotiations for entry of five new ministers from two moderate Leftist parties in his Government, providing a broader base for a sure parliamentary majority against Communist attacks.

De Gasperi's office said formal announcement of the reshuffled Cabinet would be made later today—probably after the new ministers have been sworn in by President Enrico de Nicola.

De Gasperi said with a favorable answer from Giuseppe Saragat's anti-Communist Labor Socialists, his three-week parley with that party and Randolfo Pacciardi's old-line Leftist Republicans had ended.

Had Uncertain Backing

The addition of Republicans and Labor Socialists completes the reorientation of the Italian Government begun last May, when de Gasperi ejected the Communists and pro-Communist Socialists who were part of his first three Cabinets.

Since then he has been certain only of the backing of his own Christian Democrat group of 209 in the Constituent Assembly.

The Christian Democrats, while the largest single bloc, fall 70 votes short of a majority in the 556-man assembly.

To meet repeated no-confidence motions from the Communists and Socialists of Foreign Minister Pietro Nenni, de Gasperi had to scrape up uncertain backing from small Rightist and Leftist parties, both of which hung back angling for a dominant balance of power position and threatening to let the Government fall between them.

ITALY GETS 5 NEW MINISTERS

Move Cited As 'Union Of Force' Against Communists

Rome, Dec. 15 (AP)—Five new ministers were sworn into the Italian Government tonight and Premier Alcide de Gasperi hailed the action as constituting a "union of force" against the Communist opposition and its allies.

The five new ministers brought to De Gasperi's embattled Christian Democrats the support of the Labor Socialist and Republican parties. They were:

Giuseppe Saragat, former Ambassador to France and leader of the Moderate Left Worker Socialist party, formed last year when it split with iPetro Nenni's pro-Communist Socialists. He became a vice premier.

Named Vice Premier

Randolfo Pacciardi, leader of the Leftist Republicans, also appointed a vice premier.

Cipriano Facchinetti, a Republican, nemed Minister of Defense. The Republicans, whose main interest lies in defense of the Republic Against Monarchist sentiment, demanded the post as the price for co-operation.

Ludovico d'Aragona, Labor Socialist, named Minister of Posts and Telecommunications.

Roberto Tremelloni, worker Socialist and Milan merchant and industrial employment expert, named Minister of Industry and Commerce.

Foreign Minister Carlo Sforza, in the Government since May with the consent of his Republican party but enrolled as an Independent, will reassume his Republican party mantle. That will give each new Government party a vice premiership and two ministers.

Lose Three Ministries

The Christian Democrats withdrew from three cedede ministries to enable the broadening of the Cabinet, but retained Mario Scelba, as Minister of Interior, whose portfolio had been asked by the Labor Socialists.

In the Constitutent Assembly the new lineup gave de Gasperi 283 out of the Assembly's 556 votes.

Provisional President Enrico de Nicola administered the oath of office to the five new ministers and de Gasperi declared:

"We have constituted a union of force in the interest of liberty for the people and for the democritic regime."

The broadened cabinet will meet for the first time tomorrow and one of its major topics was to be the coming national elections—probably the next phase in the struggle for political supremacy in Italy between the Center and the Communist-dominated Left.

Italians Honor 5 Top U.S. Aides

Rome, Dec. 15 (AP)—Enrico de Nicola, president of the Italian Republic, has awarded the Grand Cross of the Military Order of Italy to United States Generals Dwight D. Eisenhower, Carl Spaatz and Mark W. Clark and to Admirals Chester W. Nimitz and Ernest J. King, in recognition of their contribution to the liberation of Italy and as a token of the nation's gratitude for United States renunciation of their quota of the Italian fleet.

The President's instructions have been sent to Alberto Tarchiani, Italian Ambassador in Washington, a Foreign Ministry spokesman said.

LAST OCCUPATION TROOPS HOMEWARD BOUND FROM ITALY

U. S. Military Operation Begun at Salerno in 1943 at an End.

Leghorn, Italy, Dec. 15 (A. P.).—The last American occupation troops in Italy were homeward bound today aboard the transport Admiral Sims, thus bringing to an end a military operation which began when United States forces stormed ashore in the Salerno area on September 9, 1943.

The troops—ninety-seven officers and 1,356 enlisted men—sailed yesterday. Exactly 9 hours and 45 minutes ahead of the midnight deadline set for their departure by the Italian peace treaty.

Their departure, which the Italians watched with mingled feelings because of the country's internal political situation, left on Italian soil only a graves registration unit and a handful of members of the military liquidation administration—in all about 300 men. The graves registration unit is in charge of caring for American war dead in military cemeteries and sending home the bodies of those soldiers whose families so desire. The liquidation administration is winding up financial matters connected with the occupation. Both units are located in Rome.

Departure of the last members of the American Occupation Army coincided with the departure from Venice of the last remnants of the British Army of Occupation. Both the Americans and British, however, still have troops on duty in the free territory of Trieste at the head of the Adriatic, which was stripped from Italy under terms of the peace treaty. The United States forces at Trieste are members of the Eighty-eighth Division, which formerly was under the Mediterranean Theater command.

United States Ambassador James C. Dunn and a group of Italian Army representatives attended brief ceremonies which preceded the departure of the Admiral Sims. Last man to board the transport was the theater commander, Major-Gen. Lawrence C. Jaynes. Before his departure Jaynes and thirteen of his staff officers received decorations from Gen. Claudio Trazzani, chief of the Italian General Staff.

It was expected that the transport would reach New York in eight days.

Russ Objects To A Human Rights Court

Geneva, Switzerland, Dec. 15 (AP). Russia objected today to a proposal for establishing an International Court of Human Rights as a "violation of national sovereignty."

The United Nations Human Rights Commission, under the chairmanship of Mrs. Eleanor Roosevelt, had before it a proposal to establish a five-member United Nations commission to receive complaints and an international court for arbitration.

A. E. Bogomolov, the Russian delegate—contended the commission would be a "microscopic body swamped by an avalanche of petitions." He also attacked the proposed court. The Ukrainian delegate previously had walked out, asserting the discussion was "premature."

GERMAN LEADERS SPEED UP PLANS

Major Parties In West Seek To Create Government

Frankfurt, Germany, Dec. 15 (AP). The ending of the four-power Foreign Ministers Conference in London spurred German political leaders tonight to speed their efforts to agree on a plan for the creation of a government for "western Germany."

The leaders of the two strongest political parties in the western occupation zones will meet tomorrow in an attempt to eliminate a few remaining differences so they can present a definite proposal to the allied military government within a few days.

Plan Evolved Independently

A plan evolved by the Germans, independent of the British and American authorities, envisions political union in the American and British zones, with the French zone expected to enter the union before long.

This would leave the Russian zone alone and its political unification with the rest of Germany at least temporarily blocked.

The two chief political parties in the West are the Right Wing Christian Social Union and the Left Wing Social Democratic party. Leaders of each party already have prepared elaborate "rough drafts" of a proposed constitution for a western German government.

No Surprise To Berlin

Meanwhile, news of the breakup of the Ministers' Council meeting in London was received with no surprise in Berlin, although it appeared to frighten Berliners who asked, "Will the western Allies depart and leave us under Russian rule?"

A Germany split into western and eastern areas would leave Berlin geographically in the eastern zone. It was questionable that a four-power administration would continue in Berlin, since the Allied Control Council has been deadlocked on basic issues almost since its inception in 1945.

Germans expected that two results of the conference failure would be the sharpening of ideological warfare between the United States and the Soviet Union in Berlin and an increased flight of Germans from the Russian zone into the western zones.

30.24- 14257

Ten B-29's Land In Germany

Frankfurt, Germany, *Tuesday*, Dec. 16 (AP)—United States Air Force headquarters said ten B-29 Superfortresses of the Strategic Air Command landed at Fuerstenfeldbrueck air base yesterday after a "routine navigational flight" from America.

KRUPP WINS POINT

Nuernberg, Dec. 15 (A. P.).—Alfred Krupp today challenged the American military tribunal's refusal to allow him an American lawyer and won a rehearing on the issue. Krupp and eleven other leading officials of the Krupp arms and steel works are on trial on war crimes charges.

He stated through his attorney that, "in the interests of a fair trial," it was fundamental that he have immediately an American attorney, familiar with the processes of justice in the United States courts. The court scheduled its rehearing for Wednesday.

Krupp had retained the law firm of Thomas Foley and Earl J. Carroll of Hayward, Cal. The original court action rejecting the request was based on the assertion that it was filed too late and that Krupp was represented adequately by German counsel.

Soviet Member Blocks Probe Of 'Kidnappings'

Berlin, Dec. 15 (AP)—Russia blocked today any concerted action by the Allied Control Council for Germany in investigation of Catholic bishops' charges that more than 2,000 German children in the Soviet zone had been "kidnapped" since the war.

Russian representatives on the Council's co-ordinating committee refused even to discuss a letter from German bishops on the subject, on the ground that the letter had been "publicized prior to official submission."

The United States, Great Britain and France agreed to make separate investigations in their zones and take action if warranted.

Austrian Girl Shot By U. S. Soldier

Vienna, Dec. 15 (A. P.).—An official United States Army announcement said today than an American soldier shot and seriously wounded Gotgrieda Knogler, young Austrian employee of the Norsching post exchange near Linz last Friday. The girl's condition was described as serious.

Army authorities identified the soldier as Pvt. Oscar Marines of Phoenix, Ariz. The girl was reported to have been shot five times with a .45 caliber pistol.

Czech Reports Russ Credit

Prague, Dec. 15 (AP)—Hubert Ripka, foreign trade minister, told a news conference tonight Czechoslovakia's new trade treaty with Russia was accompanied by a Russian short-term credit of $23,000,000, which this country will pay off in barter during 1949 and 1950. The treaty was signed in Moscow last Thursday.

U.S. Officer Hurt In Greece Auto Crash

Athens, Greece, Dec. 15 (AP)—Lieut. Col. Allen C. Miller, military adviser to the American Delegation on the United Nations Special Committee on the Balkans, was slightly injured yesterday when a jeep in which he was riding struck a bridge between Arta and Agrinion, in northwestern Greece.

Miller is a member of an U.N.S.C.O.B. observer team which had gone to the Albanian border near Delvinaki, Greece. He suffered cuts on the forehead but was able to proceed to Athens.

The team said it had formed no conclusions on the extent of aid given to Greek guerrillas from abroad. However, one member said it was clear that Albanians were "flagrantly" violating the border and moving supplies across the frontier more openly than ever.

Greek Guerrilla Band Smashed

ATHENS, Dec. 15 (AP).—A press dispatch from Larisa said today a band of sixty guerrillas, carrying arms and supplies, had been wiped out by government forces in a battle in a snowstorm Saturday on Mt. Vermion, west of Salonika. Prisoners were quoted as saying their material came from Yugoslav territory.

Pole Socialists Hit 'U.S. Imperialism'

Wroclaw, Poland, Dec. 15 (AP)—The Polish Socialist party considered today a program for a common front with the Communists to oppose what it called the infiltration of American capitalists and imperialists into western European countries.

The program before the four-day national Socialist Congress called for close collaboration with Russia and efforts to preserve peace.

Delegations from nine countries spoke, pledging solidarity in an international workers movement and co-operation with the Poles.

Communist Vice-Premier Vladislaw W. Gomulka told the Socialists that Soviet Russia stands as a bulwark of peace "against imperialistic reaction, headed by the United States" and that America is infringing the sovereignty of nations through dollar loans. He declared that Poland's frontier is inviolable.

France Protests to Poland

Warsaw Minister Called Handling of French Strike Brutal

WARSAW, Dec. 15 (AP).—France protested to Poland today over an assertion by Vice-Premier Wladislaw Gomulka that French Interior Minister Jules Moch had acted in "a brutal manner" in dealing with French strikes.

Mr. Gomulka spoke yesterday to the Socialist party congress in Wroclaw. He referred to Mr. Moch and the men who he said had "ordered the shooting of workers and suppressed in a horribly brutal manner their efforts to get better living conditions and wages."

The French protest said that nation was "very surprised" that Mr. Gomulka would go to such lengths in attacking a member of a friendly government.

Red Policy Hits War Gougers

Moscow, Dec. 15 (AP)—Soviet Russia is converting her paper rubles in circulation at one tenth their face value, effective tomorrow, as one means of checking inflation, which has boosted prices of some goods to ten or fifteen times their prewar level.

War profiteers were singled out in the decree, announced last night, as a target for an involved program of "currency reform."

Coupled with the revaluation was the abolition of rationing for food and industrial goods. Moreover, price cuts of ten to twelve per cent were announced on such commodities as bread, flour, cereals, macaroni and beer.

Many Prices Adjusted

An adjustment between "the existing high commercial prices (those paid in nonrationed stores) and the excessively low prices of rationed supplies was ordered in a variety of other supplies, including milk, eggs, tea, fabrics, footwear and clothing.

[This suggested the great bulk of the Russian population would be paying more.

[Officially, the ruble has been worth 18 cents in exchange with United States money, but there has been no free exchange. A more realistic ratio of rubles to dollars has been the diplomatic rate—diplomats were able to get 12 rubles for $1 in Moscow. Still another value was placed on the ruble by Harold Stassen after his visit to Russia. He said it was worth about a nickel.

[The decreed cash exchange for unbanked rubles is equivalent to a swap of dollars for dimes, but the new prices of goods give the "dimes" new value.]

Loans Merged To One Debt

The conversion rates for the ruble, aside from cash presented for exchange, is on a sliding scale up from one old ruble for one new one.

Pre-1947 internal loans were ordered merged into a single state debt, "the exchange to be effected on a basis of three rubles in previous loans for one ruble in the new unified loan." But "treaty obligations between the U.S.S.R. and foreign states remain unchanged."

Deposits of up to 3,000 rubles in savings banks and the state bank will be revalued at "one ruble for one ruble." Deposits totaling more will be converted to the rate of one for one on the first 3,000 rubles, three for two on the next 7,000 and three for one on all above 10,000.

"Paying of current accounts of co-operative enterprises and organizations as well as of collective farms," the decree said, "are to be revalued at the rate of five rubles of the old currency to four of the new currency."

Claim Wage Increase

While the decree spoke of the reform as a war-induced sacrifice, it said the rate of wages of workers and employés, "far from being reduced, are on the contrary being increased, since the commercial prices are being reduced by several times and in addition the rationing prices for bread and cereals are also being decreased, which means an increase in the real wages for workers and employés."

The new ruble currency, like the old, features the portrait of Lenin. The notes, however, are much larger than the old.

The Communist party newspaper, *Pravda*, printed photographs of the new money and detailed descriptions today. The chief innovation is a 25-ruble note, which did not previously exist. The old 30-ruble denomination was abandoned.

The other notes are for 1, 3, 5, 10, 50 and 100 rubles.

Pravda hailed the abandonment of rationing editorially as a victory for socialism and said prices were rising in "the capitalistic United States."

Declare Policy Approved

The Soviet news agency, Tass, and the Moscow radio said scores of meetings were held last night throughout the nation at which the decree was discussed and approved as ushering in a better life.

The decree was issued by the Soviet Council of Ministers and the Communist party. It was signed by Prime Minister Stalin and Col. Gen. Andrei A. Zhdanov, secretary of the Communist Party Central Committee and a member of the Politburo.

Most Russians with paper rubles on hand must convert them by December 22. Those in remote districts are given until December 29.

"Old money not presented by the fixed date will be canceled," said the decree, "and will lose power of payment."

The decree ended rationing for all foods and consumer goods, without exception.

Price control will apply to all goods except food and consumer items sold in co-operative stores and on collective-farm markets, which retain the right to price their goods according to their own judgment.

The price regulations and orders taking goods off rationing apply to all retail stores selling goods to the Russians.

The system of procurement prices for state-owned organizations and institutions continues in effect as before. These organizations and institutions such as factories and plants never have been subject to rationing, but have operated according to the state economic plan in a manner similar to that which enterprises in the United States operated under guidance of the War Production Board.

[The decree was the first admission by the U.S.S.R. that the controlled Russian economy had been affected by postwar inflation. The Soviet action came ten days after a statement in Washington by Under Secretary of State Robert Lovett that something "in the nature of panic buying" had gripped Russia following rumors of impending devaluation of the ruble.

Exchange Rate Fixed

[American officials in Washington were keenly interested in the move in view of continued Russian insistence on how sound the Soviet was economically as compared to capitalistic countries.]

The decree affects persons with bonds, savings accounts and cash. Bank deposits up to 3,000 rubles will be exchanged on a one-for-one basis; accounts up to 10,000 rubles will be exchanged at the rate of one-to-one for the first 3,000 rubles and the remainder on a basis of two new rubles for three old; deposits over 10,000 rubles will be exchanged at the foregoing rate for the first 10,000 rubles and the remainder on the basis of one new ruble for two old.

New Bonds To Be Issued

Holders of ordinary state bonds will receive new bonds with a face value of one ruble for each three rubles of face value of the old bonds. Holders of the 1938 issue of state bonds, which were fully redeemable at any time, will receive one new ruble for each five of face value.

Those who present cash will receive one new ruble for ten old ones regardless of the amount they exchange, thus making cash holdings the chief losers under the reform.

The reform does not affect wages. All factories and offices have been ordered to pay their employés this week in new money their salaries for the first half of the month to enable them to get started under the new program.

Bread Price Down

Announcement of the decree was the first official mention of inflation and speculation in the U.S.S.R. although a hint that rationing would be abolished was disclosed December 9 in a statement by Georgi Malenkov, a member of the Politburo.

The price of bread under the new program will be twelve per cent lower than the old ration price. A ten per cent cut will take place in cereals and macaroni. Meat, fish, fats, sugar, confectionery goods, salt, potatoes and vegetables will remain at the present ration price.

Tea, milk and certain other items were increased over their ration price, but reduced well below prices charged in the unrationed "commercial" stores.

REDS POST PRICES IN RUBLE REFORM

Costs Are Uniformly High; 10-1 Currency Exchange Starts Today.

MOSCOW, Dec. 15. — (AP) The 200,000,000 citizens of the Soviet Union found out today what they have to pay for food, drink and clothing with the new paper rubles their government will issue in its currency reform program for battling speculation and inflation.

Lists were printed showing the retail prices to become effective tomorrow with the end of rationing. At the same time the banks will begin a week-long exchange of new rubles for old on a cash basis of one new ruble for 10 old ones.

On money already on deposit in savings banks the exchange rate is one new ruble for one old for the first 3,000 rubles. On deposits totaling more the rate is one-for-one on the first 3,000, three-for-two on the next 7,000 and three-for-one on all above 10,000.

Higher In Rural Areas

The price scheduled disclosed that a man's worsted suit will cost 1,400 rubles in urban and 1,500 in rural areas, and a woman's woolen dress 510 rubles in urban and 560 in rural areas.

Wages are not affected by the new currency program, and retail prices will be under state control.

(Purchasing power of the average worker and farmer remains the major factor. There were no figures on average wage scales, but a dispatch from Moscow in 1946 gave 1,200 rubles as the monthly income of "an average Russian family" in which the father, a crew foreman in the lathe department of a factory, got 870 rubles.

(Such a family would have to save for a considerable period to afford a man's worsted suit for 1,400 rubles or a woman's woolen dress for more than 500 rubles.

The only commodities which will not come under price control will beer, compared with the ration store prices.

But in a wide variety of other supplies, including milk, eggs, tea, fabrics, footwear and clothing an adjustment was ordered in the "existing high commercial prices" and the prices charged in ration stores. Some prices remained at the same level, but others increased over the ration store level.

Pravda, the Communist party newspaper, carried reproductions and detailed descriptions of the new currency. The new money is much larger than the old, but the chief innovation is the issuance of a 25-ruble note and abandonment of the 30-ruble note.

Other notes are for 1, 3, 5, 10, 50 and 100 rubles.

Compared To Capitalist Rates

Pravda said editorially the new system would boost the real wages and result in "growth of the role of wages and cash income of the rural population."

It compared the Soviet economy with that of the capitalist countries and said:

"The capitalist monopolists take advantage of postwar economic and financial crises in such countries weakened by war as France and Italy, bringing pressure to bear upon them in the disguise of assistance in the form of the Marshall plan, which, as is known, constitutes a plan of economic enslavement of Europe by American imperialism."

New U.S. Broadcast Line

[The "Voice of America" program of the United States State Department will be highly skeptical of the success of the Russian program to help the average Soviet citizen, Government officials said in Washington.

[First news that Russia was considering revaluing the ruble came from the "Voice of America" program about two weeks ago. It reported "panic buying" in Moscow stores caused by rumors of revaluing.

Under the new price schedule Russians in rural areas will pay more for industrial goods, principally clothing than buyers in urban areas.

Table Of Prices

Here is a table showing prices on some items in Zone 1.

	Dollars & Cents
Rye bread, pound	.06 24 5
Sugar cubes, pound	1.12
Calf meat, first-class, pound	1.99
Vegetable oil, pound	1.99
Fresh fish, first-class, pound	.91
Milk, quart	45.7 to .62.9
Eggs, dozen	2.26 to 3.12
Tea, ounce	.88
Toilet soap, 3.5-ounce bar	.76
Cigarettes, top-grade, pack of 25	1.20
*Men's leather shoes, pair	49.40 to 54.72
Men's worsted suit	266.00 to 285.00
*Women's cotton stockings, pair	1.33 to 1.43
*Women's woolen dress	96.90 to 106.40
Metal wrist watch	171.00
Radio set, 5-tube	114.00

*Higher price applies in urban areas.

Russia Revises Retail Costs of Articles for Sale in Government Stores.

Moscow, Dec. 15 (A. P.).—New retail prices, set to complement the issue of the new ruble currency and the end of rationing, were announced by the Soviet Government today.

They will vary between town and country and also among three newly established price administration zones, but rye bread will sell for as relatively little as 2 rubles and 80 kopecks a kilo and beer at 7 rubles a bottle. Things are cheapest in the first zone, which includes the Ukraine, the Baltic republics, the Crimea, Stalingrad and Kaliningrad (formerly Koenigsberg, East Prussia). They are higher in zone two, including Moscow and Leningrad, and higher still in zone three, on the northern and eastern coastal region.

[In the following table, the ruble is converted at the official exchange rate of 19 cents. There has been no free exchange. However, diplomats have been able to obtain 12 rubles for $1 in Moscow and American economists in Washington have estimated the actual value of the ruble at 3 cents. The kopeck is 1-100th of a ruble.

[It should be noted that the major factor remains purchasing power. Wages are not changed under the revaluation decree. A 1946 dispatch from Moscow gave 1,260 rubles a month as the income of "an average Russian family" in which the father was crew foreman in the lathe department of a factory, receiving 870 rubles; the mother earned 300 and one child received 90. This man paid 82 rubles monthly for rent, electricity and gas.]

The commodity prices for the first zone are as follows:

One kilogram (k.) is 2.2046 pounds; one litre is 1.0567 United States liquid quarts; one gram is 0.035 of one ounce; one meter is 1.0936 yards; 91.44 centimeters equal one yard. R—ruble. K—kopeck.

Commodity.	Price.	Conv'
Rye bread, 1 kilo	2R 80K	$.54
Wheat bread, best, 1 k.	6R 20K	1.18
Rye flour, 1 kilo	4R 40K	.84
Wheat flour, best, 1 k.	7R —	1.33
Buckwheat, 1 kilo	11R —	2.09
Millet, best, 1 kilo	5R 50K	1.15
Macaroni, top gr., 1 k.	9R —	1.71
Sugar cubes, 1 kilo	13R 50K	2.57
Calf meat, best, 1 kilo	28R —	4.32
Salted butter, 1 kilo	62R —	11.78
Vegetable oil, 1 kilo	28R —	4.32
Fresh fish, choice, 1 k.	10R 50K	2.00
Caspian herring, 1 kilo	17R —	3.23
Ground salt, 1 kilo	1R 60K	.31
Oats, 1 kilo	2R 20K	.42
Milk, 1 litre	2.5 to 3.5	.48 to .67
Eggs, first cl., 10	10 to 14R	1.90 to 2.66
Tea, 100 grams	16R —	3.04
Coffee, 1 kilo	75R —	14.25
Beef, 1 bottle	7R —	1.33
Ice cream, 1 kilo	20R —	3.80
Caviar, 1 kilo	400R —	76.00
Vodka, half litre	60R —	11.40
Matches, 1 box	20K —	.04
Toilet soap, 100-grams	4R —	.76
Washing soap, 400-grms	5R 20K	.99
Cotton thread, 1 spool	1R 75K	.34
Kerosene—		
Urban areas, 1 litre	2R —	.38
Rural areas, 1 litre	2R 10K	.48
Cigarettes, best, pkg. 25	6R 30K	1.20
Celluloid women's combs	4R —	.76
Metal wrist watches, 1	900R —	171.00
Phonographs, 1	900R —	171.00
Radio sets (5 tube)	600R —	114.00
Cameras (Russian), 1	1100R —	209.00

UNIVERSAL INDUSTRIAL GOODS PRICES.

PRINTED COTTON MATERIAL. (100 Centimeters Wide.)

Urban areas (per meter)	10R	$1.90
Rural areas (per meter)	11R 20K	2.13

SATIN MATERIAL.

Urban areas (per meter)	25R 20K	4.79
Rural areas (per meter)	28R	5.32

WOOLEN MATERIAL. (140 Centimeters Wide.)

Urban areas (per meter)	108R	20.52
Rural areas (per meter)	120R	22.80

WORSTED MATERIAL. (136 Centimeters Wide.)

Urban areas (per meter)	450R	85.50
Rural areas (per meter)	510R	96.90

CREPE DE CHINE (Pure Silk).

Urban areas (per meter)	137R	26.03
Rural areas (per meter)	151R 75K	28.84

WOMEN'S COTTON DRESSES.

Urban areas (per dress)	77R	14.63
Rural areas (per dress)	86R	16.34

WOMEN'S WOOLEN DRESSES.

Urban areas (per dress)	510R	96.90
Rural areas (per dress)	560R	106.40

MEN'S SEMI-WOOLEN SUITS.

Urban areas (per suit)	430R	81.70
Rural areas (per suit)	450R	85.50

MEN'S LEATHER SHOES.

Urban areas (per pair)	260R	49.40
Rural areas (per pair)	288R	54.72

MEN'S WORSTED SUITS.

Urban areas (per suit)	1400R	266.00
Rural areas (per suit)	1500R	285.00

WOMEN'S SHOES.

Urban areas (per pair)	260R	49.40
Rural areas (per pair)	288R	54.72

MEN'S GALOSHES.

Urban areas (per pair)	45R	8.55
Rural areas (per pair)	45R	8.55

MEN'S FELT BOOTS.

Urban areas (per pair)	195R	37.05
Rural areas (per pair)	216R	41.04

WOMEN'S HALF-WOOL JACKETS.

Urban areas (each)	190R	36.10
Rural areas (each)	210R	39.90

WOMEN'S COTTON STOCKINGS.

Urban areas (per pair)	7R	1.33
Rural areas (per pair)	7R 50K	1.43

MEN'S PRINTED SOCKS.

Urban areas (per pair)	17R	3.23
Rural areas (per pair)	19R	3.61

China Civil War Flares Up On Three Fronts

Shanghai, Dec. 15 (AP)—China's civil war, after a two-week lull, is erupting again on three important fronts with an unexpectedness which could prove costly to Government armies.

Seizing the initiative, Chinese Communist forces have opened up in western Manchuria, in northern Honan province, and in the Hupeh-Anhwei-Kiangsi area of central China. All could develop into crippling attacks on the relatively slow moving, positional forces of the Government.

In a fourth area—Shantung province along the northern coast—Government forces were on the defensive. Associated Press Correspondent Harold K. Milks reported from Tsinan that Communists have regained most of the province, which three months ago was the center of the nation's hopes for a decisive victory over the Reds.

The newest Red thrust centers around Kaifeng, the Honan capital, about 340 miles northwest of Nanking; and three columns were reported converging upon Chenghsien, 45 miles west of Kaifeng.

Americans Reported Safe

Fifty foreigners, including some Americans employed by UNRRA, were evacuated from Kaifeng a few days before the drive began, and arrived safely in Shanghai.

Red activity in the northern Honan area has been intense in recent weeks despite a seeming lull in major military action. Concentrating on China's important east-west artery, the Lunghai railroad, the Reds have destroyed more than 100 miles of track.

Red General Chen Yi, reportedly heading nearly 80,000 troops, is responsible for the threat to the Kaifeng area. The maneuver is believed to be a feint to draw away Government forces pressing Red General Liu Po-cheng, who has been operating to the south in the Anhwei-Kiangsi-Hupeh border mountains.

Communists Near Two Honan Towns

Nanking, Dec. 15 (AP)—Chinese Communist forces closely threatened the important cities of Kaifeng and Chenghsien in Honan province today, and pro-Government reports said fighting was general over a wide area of central China.

The battle zone was described as the rugged country south of the Lunghai railway and east of the Peiping-Hankow line.

Communist General Chen Yi was last reported to have pushed at least a division within 10 miles southeast of Kaifeng, the Honan provincial capital. First accounts had credited this drive to Chen Keng, another Communist commander, but Chen Yi later was identified as the leader, with an estimated 80,000 troops at his disposal.

The Government's Central News Agency said the Communists also were a short distance south of Chenghsien and had destroyed railway bridges leading to Kaifeng, which is 45 miles east of Chenghsien.

The garrisons of both cities were alerted and Government reinforcements were said to have reached Kihsien, 23 miles southeast of Kaifeng.

The Communist thrusts were intended to divert Government strength from an assault on Communist General Liu Po-cheng, some 200 miles south of Kaifeng.

Chinese MP Executed in Fight

NANKING, Dec. 15 (AP)—A military policeman was executed by a firing squad today for participating in a gun battle in which several municipal police and bystanders were slain at a Shanghai theatre several months ago. Of twelve MP's court-martialed, six others received prison terms ranging from two to fifteen years and five were acquitted.

30.24- 14259

Tojo, Aplomb Regained, Keenly Awaits Chance to Defend Self

TOKYO, Dec. 15—(AP) Hideki Tojo is looking forward to his imminent appearance as a witness before the Allied War Crimes Tribunal with reborn confidence in himself and in the cause for which he launched the Pacific war.

The 62-year-old former general, who was premier and war minister of Japan at the time of Pearl Harbor, has told his attorneys, "I want to accomplish three things when I take the stand:

"First, to convince the world that Japan fought in self defense; second, to prove that the idea of a greater East Asia co-prosperity sphere is an absolute necessity for improvement in the Orient; and third, to make certain that no blame attaches to the emperor."

Tojo also has indicated to his counsel, George Francis Blewett of Philadelphia and Dr. Iichiro Kiyose, that he keenly realizes that no other leader so high in a lost cause has even had such an opportunity to attempt to justify his actions to prosperity.

For nearly 19 months the bald, brown little man has observed the processes of the 11 nation tribunal which is trying him and other onetime top men of Japan on war crimes charges. He has heard his fellow defendants one by one given the right to make full explanation of their motives.

The effect on Tojo has been remarkable. Once so sunk in humiliation that he tried to end his life with a pistol shortly after the surrender, he now exudes self confidence and intends to be the only witness in his own defense.

With meticulous care Tojo is putting the finishing touches on a 60,000 word statement scheduled to be read to the court within the next eight days.

Blewett said that Tajo has hope of escaping the gallows—a hope he did not hold when the trial began.

An avid reader, well up on foreign affairs, he said that public opinion may have changed in his favor.

Tojo has a flair for dramatics—probably inherited from his grandfather, who was a celebrated player in the classic Japanese Noh Drama. He also has a sense of history; his late father, Maj. Gen. Eikyo Tojo, was for more than a score of years chief of the historical section of the imperial general staff.

This combination of talents with his own position in certain to make Tojo's examination the dramtic climax of the trial. Often this longest trial in history has dragged along to empty benches, but already many more than can possibly be accommodated have applied for spectator seats when Tojo takes the stand.

TOGO DEFENDS ACTION

Tokyo, Dec. 15 (A. P.).—The war crimes trial of Shigenori Togo opened today with the defense of the 59-year-old former foreign minister centering on efforts to justify Japanese aggression.

Ben Bruce Blakeney of Oklahoma City, a defense lawyer, told the International Tribunal he would seek to prove that the surprise attacks on Pearl Harbor and British bases were measures of self defense.

Togo contends also that Japan's note breaking diplomatic relations with the United States gave Nippon "the right to freedom of action." He asserted that it was "an accident" that the note was not delivered until fifty-five minutes after the Pearl Harbor attack began.

Togo was a pre-war ambassador to Germany and Russia. He returned to Tokyo with his German wife to take the Foreign Ministry post in Premier Hideki Tojo's cabinet, October 18, 1941. Togo is one of twenty-five Japanese leaders on trial.

Jap Lifer Paroled For Prison Heroism

Tokyo, Dec. 15 (A. P.).—Heroic work in a prison fire has won a parole for Japan's famed preaching robber after seventeen years behind bars.

Matsukichi Tsumaki, 47 years old, serving a life term, led fellow trusties fighting the blaze and helped guards prevent escapes. In his robber days, he would break into homes, preach to the family on the improper locking of doors, and leave with the request: "Please don't do the same thing again."

Newsman's Body Cremated

Tokyo, Dec. 15 (AP)—Allied Headquarters announced today the body of Philip A. Adler, Detroit *News* correspondent killed in an army plane crash last May, had been cremated and the ashes interred in the International Cemetery at Yokohama. The ceremony was requested by the newspaper man's relatives.

Gym Named For Leyte Hero

Tokyo, Dec. 15 (AP)—The 19th Infantry Regiment at Kokura, Kyushu, has dedicated its new gymnasium to the memory of Staff Sergeant Harold L. Schmidt, of Ortonville, Minn., who was awarded the Silver Star posthumously for bravery on Leyte, the Philippines.

Jap Prison Chief Draws 25 Years

Yokohama, Dec. 15 (AP)—Iku Takasaki, former commander of prisoner-of-war camps at Cabanatuan and Davao in the Philippines, was convicted today of responsibility for the deaths of two American soldiers and abuses of others, including Major Arthur Wermuth—famed "One-Man Army of Bataan."

The Japanese lieutenant colonel was sentenced by a United States 8th Army trial commission to 25 years at hard labor for the deaths of Lieut. Robert Huffcutt, Buffalo, N.Y., and Major Charles F. Harrison, of Leesburg, Va.

Wermuth Was Beaten

It was testified that Takasaki permitted subordinates to beat prisoners. One witness said Wermuth was beaten severely for protesting against the treatment of fellow prisoners detailed to haul fertilizer.

Hiroshi Ushioda pleaded innocent before another military commission trying him on charges of mistreating Allied prisoners at a Yokohama camp.

Wing Commander Leonard J. Birchall, of St. Catherine's, Ontario, former prisoner at the camp, was brought to Japan to testify against Ushioda.

Jews Ask Arab Force Ousting

Jerusalem, Dec. 15 (AP)—Jewish leaders called upon the Palestine Government today to order the immediate evacuation from Palestine of all Trans-Jordan Arab Legion troops, a detachment of which yesterday machine-gunned a truck convoy near Tel Aviv, killing fourteen Jews and wounding fifteen others.

The Arab Legion forces, which are offered by Britons, are on loan to the Palestine Government for police duty in the Holy Land.

Demands for withdrawal of the forces coincided with a grenade attack on a truckload of Arab Legion troops near the Mustapha police barracks in Jerusalem. One soldier was injured in the bombing.

Says Jews Were Attacked

A spokesman for Hagana declared that "failure of the British to evacuate these foreign troops will be considered a British provocation against the Jewish defense forces."

A Jewish Agency official, who also demanded withdrawal of the Arab Legion, said Legionnaires had attacked Jews in at least three places yesterday.

He complained that highway security control was "completely ineffective" throughout Palestine and suggested that food convoys be led and followed by armored cars, "as they were during the Arab revolt of 1936-39."

Charges Disarming Motive

The official said that 1,700 Jewish settlement police had been engaged in convoy duty, but that they were traveling in open cars and "form an open invitation to massacre." Eighteen armored cars alloted to the settlement police are now in storage and the Government "will not permit their use," he declared.

"The Government is conducting a systematic campaign to disarm us," the Agency spokesman asserted.

Overland transport throughout Palestine—already badly disrupted—was further demoralized by the convoy attack yesterday. Food supplies in Jerusalem and other cities ran low as the Holy Land began to feel the pinch of broken communication resulting from sixteen days of bitter communal strife that has claimed 244 lives.

An Arab woman and child, wounded two days ago in the Jewish attack on Al Yehudiya, died during the night.

Police Hurt In Jerusalem

Five scattered explosions rang through Jerusalem shortly after noon. An official statement said four members of the Trans-Jordan police force had been injured in a grenade and automatic-weapon attack on two army trucks in Jerusalem.

Private sources said Arab women and children from an estimated 1,000 families in Jerusalem had been evacuated to the Christian villagers of Bethlehem and Beit Jala, mountain-top towns regarded by the Arabs as "safe" because inhabitants are 100 per cent Gentile. Men of the families remained in Jerusalem.

Proposed Names For State

Two new names for the Jewish state which is to be established after the British leave May 15 were suggested today in letters to the *Palestine Post*. These were Israelia and Ivria. Previously suggested names were Eretz Israel (Land of Israel), Zion and Judea.

One Arab was killed and seven were injured when an Arab bus was attacked by four Jews dressed in army uniforms near Ras el Ain shortly after noon today, an official source said.

The attackers threw gasoline bombs and hand grenades and directed automatic fire at the vehicle. It was believed that additional injured Arabs might have taken refuge in near-by orange groves.

Ras el Ain is an Arab village on the Palestine coastal plain, about 9 miles northeast of Tel Aviv.

Jewish Post Raided

Meanwhile police raided a Jewish post near Tel Errish, south of Tel Aviv, and seized four automatic weapons, 29 grenades, six rifles, 500 rounds of ammunition and range-finding equipment. Five Jews were arrested.

Tel Errish was the scene of a two-day sniping skirmish between Hagana members and Arabs.

Hagana termed the machine gunning an "unprovoked attack." A Palestine government spokesman, however, said that jittery Jewish settlement police guarding the convoy "apparently lost their heads" when they saw the Arab troops and opened fire, causing the Arabs to return the fire under the impression they were being attacked.

The incident was the worst blow thus far suffered by highway convoys, which have been subject to repeated attacks by roving Arab bands.

Food Convoy Attacked

The attacks continued today with an assault on a convoy of Jewish trucks carrying food to Kfar Giladi, in upper Galilee, where a Jewish policeman was slain. This death—two hundred and forty-second since the United Nations Assembly voted to partition the Holy Land—brought to 365 the toll of fatalities throughout the Middle East.

Tons of imported goods were reported piling up in the port of Haifa as more and more truck transport was knocked out by the continuing strife.

Hardest hit were the Jewish and foreign communities, which depend for their supplies largely upon imports and Jewish distributors in Tel Aviv. Arabs with donkeys and camels continued to carry Arab goods to their own communities.

In Bagdad, Gen. Husein Fawzi, former Iraqi army chief-of-staff, said that the army had released several thousand troops who would be ready to move to Palestine within two weeks with full equipment to join Arab forces there.

Cairo Demonstration

In Cairo, approximately 100,000 demonstrators jammed into Opera Square yesterday and heard Arab League representatives pledge to supply Palestine Arabs with "weapons, equipment and men" to fight partition.

The demonstrators who shouted for "arms to kill the Jews" were told by Lebanese Premier Riad el Sohl Bey, one of the Arab League representatives, that "we will never sleep until we see Palestine an independent Arab unified state."

Haj Amin el Husseini, exiled Mufti of Jerusalem, who is in Cairo for the Arab League meetings, was reported by an aide to have drawn up plans for "a democratic Arab government of all Palestine," ignoring the United Nations partition plan.

President Hussein Heikal Pasha of the Egyptian Senate told a political meeting in Cairo that partition would enable Russia to send 300,000 Romanian Zionists to Palestine to make the prospective Jewish state Communist.

Arab War Council

Jerusalem, Dec. 15 (AP)—Arab newspaper men said today they had learned that two kings, three royal emissaries and two presidents—sovereigns over 70,000,000 Arabs of the Middle East—were expected to meet soon to put their seals of approval on battle plans designed to crush the yet unestablished Jewish state in Palestine.

The newsmen said in Jerusalem they had learned of the proposed meeting, probably to be held in Damascus, of King Farouk I of

Egypt, King Abdullah of Trans-Jordan, President Shukri Bey Kowatly of Syria, President Bechara El Khouri of Lebanon and the representatives of King Ibn Saud of Saudi Arabia, King Imam Yenya of Yemen and King Feisel II of Iraq.

Some sources said that before the meeting is held, at least one "People's Army," that of Syria, probably will have taken up a position inside Palestine.

To Protect U.S. Oil Interests

Fawzi Bey Kawkji, a widely known Arab revolutionist who has been forming an army in Syria, said today he would move into Palestine shortly.

It was considered probable that he would take his army with him.

Arab military support for the fight against the United Nations decision to partition Palestine between Jews and Arabs appeared strengthened today, although there was a noticeable trend away from the frenzied, unorganized fighting which has bathed the Holy Land with blood during the past two weeks, and a movement toward logical, considered action in both Arab politics and planning became apparent.

Hamdi Pasha Al Pachachi, political leader in Iraq, issued a statement today supporting Ibn Saud's recent pronouncement that he would "protect and maintain" American oil interests in Saudi Arabia.

"The Arab states cannot and must not be at war with America and Britain," Pachachi said.

6 ARABS, 2 JEWS DIE FROM BOMB, GUN ATTACKS

Palestine Faces Hunger As Communications Are Disrupted

Jerusalem, Dec. 15 (AP) — Six Arabs and two Jews died from gun and bomb attacks as Palestine tonight faced the specter of hunger.

Zionist leaders charged the Palestine Government with conducting a "systematic campaign to disarm" Jews and demanded the withdrawal of Trans-Jordan Arab Legion troops from the Holy Land.

Arab leaders were described as building up their volunteer forces along Palestine's borders. Private sources said Arab women and children from 1,000 families were being evacuated from Jerusalem to the Christian villages of Bethlehem and Beit Jala. The men remained behind.

Food Shortage Felt

Larger cities in the strife-ridden Holy Land experienced severe food shortages caused by the disruption of communications. Lines formed before bakeries in Jerusalem. Meat counters were bare. Prices were skyrocketing.

In the port of Haifa tons of imported goods piled up in warehouses as more trucks were knocked out and frightened workers remained in their homes.

Jewish and foreign communities were the hardest hit by the food shortage, since these settlements depend on modern transportation methods. Arabs, with their donkeys and camels, continued to bring food from Arab farms to their own people.

Although Jews and Arabs continued their attacks on each other, the day was classed as the quietest Palestine has experienced since the United Nations General Assembly voted for partition on November 29.

Total Of 370 Persons Killed

An Associated Press tabulation showed 249 persons had lost their lives in Palestine in fighting touched off by the partition vote. The toll for the entire Middle East was 370.

Jews struck back at Arab road transport in retaliation for the machine-gunning yesterday of a seven-car Jewish convoy by soldiers of the Trans-Jordan Arab Legion. A Jew died today of wounds received in that attack, bringing the total to fifteen Jews killed.

This evening a party of Jews armed with automatic weapons shot up a truckload of Jaffa laborers, killing one Arab and wounding another. Earlier, another Jewish force, dressed in army uniforms, attacked an Arab bus with "Molotov cocktails" and gunfire near Ras El Ain, 9 miles northeast of Tel Aviv. One Arab was killed and seven others were wounded in that engagement.

At Qalqilye, 15 miles northeast of Tel Aviv, the body of an Egyptian Arab was found in an orange grove. In the near-by Tulkarm area an Arab died from a bullet wound. It was officially announced that an Arab woman and child, wounded two days ago in the Jewish attack on Al Yehudiya, had died.

In upper Galilee a Jew was killed and a Jewish settlement policeman was wounded by Arab bullets.

Police raided a Jewish post near Rel Errish, south of Tel Aviv, and seized four automatic weapons, 29 grenades, six rifles, 500 rounds of ammunition and range-finding equipment. Five Jews were arrested. Jews and Arabs had been sniping at each other for two days in that area.

Grenades Thrown At Truck

Grenades wrecked a Trans-Jordan frontier force truck in Jerusalem, wounding three noncommissioned officers and one soldier. A second truck was sprayed with bullets.

Jewish leaders were bitter in their denunciation of the Palestine Government's other Arab armed force, the Trans-Jordan Arab Legion. King Abdullah has loaned the legion for police duties in the Holy Land. The force is officered by Britons.

Haganah, the Jewish defense force, termed the machine-gunning of the Jewish convoy yesterday an "unprovoked attack." A British government spokesman, however, said jittery settlement police guarding the convoy "apparently lost their heads" when they saw the Arab troops near Tel Aviv and opened fire. The Arab soldiers returned the fire under the impression they were being attacked, the informant added.

The Jews denied that their men fired first. Haganah demanded removal from Palestine of Trans-Jordan troops, while the Jewish Agency asked that these units be withdrawn from Jewish areas.

Zionist leaders charged the government with conducting a "systematic campaign to disarm" Jews.

A Jewish Agency official said Arab Legionnaires had attacked Jews in at least three places yesterday. He complained that highway security control was "completely ineffective" throughout Palestine and suggested that food convoys be led and followed by armored cars, "as they were during the Arab revolt of 1936-'39."

A Palestine Government spokesman, however, said jittery Jewish settlement police guarding the convoy "apparently lost their heads" when they saw the Arab troops near Tel Aviv and opened fire. The Arab soldiers returned the fire under the impression they were being attacked, the informant added.

The Jews denied the claim that their men fired first. Hagana demanded the evacuation of Trans-Jordan troops from Palestine, while the Jewish Agency asked that these units be withdrawn from Jewish areas.

Would Lay Down Arms

Meanwhile, the extremist Jewish organization, Irgun Zvai Leumi, broadcast an appeal to the Arabs for the "re-establishment of peace and neighborly relations" and charged that the present disturbances were "devised by the British."

The broadcast claimed that Irgun had inflicted more casualties on the Arabs in the last 48 hours than the Jews had suffered during the past two weeks and added:

"Unless you cease the attacks we will continue with increased strength. We are convinced the Palestine Arab people do not want war. If you cease attacks we, too, will lay down our arms."

The latest accounts of Arab movements to strengthen the forces on Palestine's borders came from Trans-Jordan in the area below the historic Mountains of Moab.

An Arba source said 400 tribesmen were moving toward the frontier.

In Cairo the Egyptian Government declared a state of emergency to forestall resumption of yesterday's frenzied anti-partition demonstrations in which approximately 100,000 persons participated.

Sardar Fakhar Named As Iran's New Premier

Tehran, Iran, Dec. 15 (AP) — An official announcement said today that Parliament in a secret session last night nominated Rezo Hekmat Sardar Fakher for Premier, giving him 71 of its 106 votes.

Dr. Mohamad Mosadegh, whose law of two years ago forbade Iranian premiers and ministers to grant oil concessions to foreigners, received 31 votes.

The parliamentary decision was reported to the Shah. The Shah was expected to order Sardar Fakher to form a government tomorrow to succeed that of Ahmed Qavam, who resigned after Parliament failed to give him the required majority on a vote of confidence.

Stolen U. S. Money Found in Philippines

Manila, Dec. 15 (A. P.).—Seventy-five thousand dollars in tattered United States currency was found under a lumber pile by laborers in the inactivated American naval air base near Cebu, in the central Philippines.

Amnesty For Filipino Collaborators Urged

Manila, Dec. 15 (AP)—A measure granting amnesty to Filipinos who collaborated with the Japanese was introduced in the House of Representatives today by Representative Manuel T. Cases, who commented:

"It is high time members of the Congress take notice of the people's act of condonation" in voting for accused collaborators in the November 11 national election.

Cairo, Dec. 15 (AP)—The Premiers and Foreign Ministers of seven Arab states opposing the partitioning of Palestine will conclude their conference tomorrow and issue an official announcement, Abdel Rahman Azzam Pasha, secretary general of the Arab League, said tonight.

STOPGAP AID BILL SENT TO TRUMAN

President Expected to Sign Today, Speeding Flow of Emergency Funds.

WASHINGTON, Dec. 15. — (AP) Congress approved a $597,000,000 Christmas present for France, Austria, Italy and China today and sent it to President Truman for wrapping.

The compromise emergency relief bill, designed to help the foreign countries through the winter and resist Communism, was passed in the senate by a voice vote and adopted by the house two hours later by a roll call vote of 313 to 82.

To Sign Measure Today

Mr. Truman was expected to sign the measure, officially known as the Foreign Relief Act of 1947, Tuesday. His signature will permit the first $150,000,000 authorized by the act to begin flowing immediately.

Final congressional action came exactly four weeks after the beginning of a special session called by the president to enact the stopgap relief legislation.

The senate vote came after Mr. Truman told Republican and Democratic leaders of both houses at a brief White House conference that he will send congress his proposals for a long-term European recovery plan before congress adjourns Friday.

This will give the legislators time to study the program, now reliably reported to envision $16,500,000,000 in U. S. expenditures over a four-year period, during the recess ending with start of the next regular session January 6.

Senator Vandenberg (R-Mich), presiding officer of the senate, told reporters the president did not disclose any details of the long-range program, often called the "Marshall Plan" because Secretary of State Marshall proposed it.

The compromise foreign aid bill, brought before both houses today after a senate-house conference committee ironed out differences in the separate bills passed by each chamber, is intended to help the recipient countries get through the winter.

Administration spokesmen and the foreign policy committees of both houses have made it plain that a main purpose of the bill is to enable the benefitting countries to resist Communist pressure while long-term assistance is being debated.

The bill does not allocate any particular sum to any of the four countries, and Senate debate today underlined the possibility that China may be left out of the program when appropriations committees make their allocations.

President Truman's signature on the bill will enable the Reconstruction Finance Corporation to advance $150,000,000 to start supplies moving, but further expenditures must be authorized separately by Congress.

Before the Senate voted, Vandenberg said China "richly deserves" American help but declared it would be futile to grant it unless the administration brings forward a definite program.

"Money without a plan is rathole money," said the Michigan senator, who as chairman of the foreign relations committee quarterbacked the relief measure through the Senate.

Chairman Bridges (R-NH) of the Senate Appropriations Committee asserted that "if there is any policy which this government has bungled for years, it is the China policy."

Row Flares Over China

Challenging Bridges' statement, Senator Pepper (D-Fla) said the United States is "expecting to take the right side" in China and declared that he did not want to see "China turned into another Spain."

Bridges retorted that he didn't want to see China "turned into a satellite of Russia."

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Many House Republicans in voting last week to keep China in the stopgap program made their stand conditional on the State Department's showing that the money would be usefully spent.

In reconciling Senate-House differences on the conduct and scope of the program, the conference committee agreed upon these major points:

1. The President is required to retain at least 150,000,000 bushels of wheat, flour and other wheat products in this country as a "carryover" from the 1947 crop for domestic use, unless he determines on or after next March 1 that a stockpile of this size is unnecessary.

2. In addition to grain, fuel and fertilizer — the primary requirements of the recipient countries — incentive goods such as cigarettes, shoes and clothing, and grain substitutes such as dried eggs, dried fruits and other foods in surplus may be shipped. These will be used as bonuses to induce farmers and factory workers abroad to produce more.

Text of the Bill for Interim Foreign Aid Passed by Congress and Sent to President Truman

By The Associated Press.

WASHINGTON, Dec. 15 — The text of the emergency foreign-aid bill as sent to President Truman today follows:

A bill: To promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:

That this act may be cited as the "Foreign Aid Act of 1947."

Sec. 2. It is the purpose of this act to provide immediate aid urgently needed by the peoples of Austria, China, France, and Italy, hereinafter referred to as the recipient countries, to alleviate conditions of hunger and cold and prevent serious economic retrogression.

Sec. 3. The President, acting through such existing departments, agencies, or independent establishments of the Government as he shall direct, may, by allocation of funds herein authorized to any such existing departments, agencies or independent establishments, or by establishing in this country credits subject to the control of the President, whenever he finds it in furtherance of the purposes of this act and upon the terms and conditions set forth in this act—

(A) Procure, or provide for the procurement of, from any source—

(1) Food, medical supplies, fibers, fuel, petroleum and petroleum products, fertilizer, pesticides and seed, delivered in a recipient country on or after the date of the enactment of this act; and

Incentive Goods Covered

(2) Incentive goods, consisting of commodities not in short supply in the United States, including government-owned stocks, to be used, distributed, or sold in a recipient country, under a specific agreement previously entered into pursuant to Section 5(G) to increase the production or distribution of locally produced commodities referred to in Paragraph (1) of this sub-section (A): Provided, that not more than 5 per centum of the funds made available under the authority of this act may be used to procure such incentive goods;

(B) Transport and store, or provide for transportation and storage of, such commodities;

(C) Transfer such commodities to any recipient country;

(D) Incur and defray expenses, including administrative expenses and expenses for compensation and travel of personnel, for carrying out the purposes of this act.

Sec. 4. The President shall promulgate regulations controlling the purchase or procurement of commodities under this act designed to minimize (a) the drain upon the natural resources of the United States and (b) the impact of such purchase or procurement upon the domestic price level: Provided—

(1) That procurement may be from foreign sources whenever the cost delivered to the recipient country will be less than the cost delivered from the United States;

(2) That, except in the case of commodities not produced in commercial quantities in the United States, not more than 10 per centum of the funds made available under the authority of this act may be used to procure commodities abroad at delivered cost higher than from the United States, its territories and possessions, provided that the President shall find that such commodities are in short supply or not readily available in the United States: Provided, further, that no funds made available under the authority of this act shall be used by any procurement agency of the United States Government for the purchase, within the United States and its territories and possessions, of any commodities (other than commodities procured by or in the possession of the Commodity Credit Corporation pursuant to Act of July 1, 1941, 55 Stat. 498, as amended) at prices higher than the market price prevailing at the time of the purchase in the area wherein the purchase is made;

To Consider Domestic Prices

(3) That the President shall, in making a finding of short supply in the United States, consider (a) the drain upon natural resources, and (b) the effect of the necessary procurement upon domestic prices;

(4) That the procurement of petroleum and petroleum products shall, to the maximum extent practicable, be made from petroleum sources outside of the United States and its territories and possessions, and wherever practicable such petroleum and petroleum products shall be delivered to the recipient country by the most economical route from the source of supply.

Sec. 5. Before any commodities are made available to any recipient country under the authority of this act, an agreement shall be entered into, subject to the limitations and provisions of this act, between such country and the United States containing an undertaking by such country——

(A) To make efficient use of any commodities made available under the authority of this act and to take in so far as possible the economic measures necessary to increase its ability to achieve a self-sustaining economy;

(B) To make, when any commodity which is not furnished on terms of repayment in dollars is made available under this act, a commensurate deposit in the currency of such country in a special account under such general terms and conditions as may, in said agreement, be agreed to between such country and the Government of the United States, and to hold or use such special account for, and only for, such purposes as may be agreed to between such country and the Government of the United States, and under agreement by the Government of the receiving country that any unencumbered balance remaining in such account on June 30, 1948, will be disposed of within such country for such purposes as may, subject to approval by act or joint resolution of the Congress, be agreed between such country and the Government of the United States;

Full Publicity Is Required

(C) To give full and continuous publicity by all available media (including Government press and radio) within such country, so as to inform the ultimate consumers as to the purpose, source, character, and amounts of commodities made available under the authority of this act;

(D) To furnish promptly upon request of the President information concerning the method of distribution and use of commodities made available under this act, and to furnish on March 31, 1948, or as soon as practicable thereafter, information showing—

(1) An itemized list of commodities made available with funds provided under this act;

(2) The total amount of money received by such country from the sale of commodities made available under this act and the average price charged per unit for each commodity;

(3) A detailed statement of the disposition of all money and other things of value received from the sale or transfer of any commodities made available under this act; and

(4) Such other information concerning the distribution and use of commodities made available under this act as may be requested by the President.

(E) To make available to its people at reasonable prices, consistent with economic conditions in the recipient country, such commodities as it may sell under the terms of this act; and, where necessary, to distribute to indigent and needy persons their fair share of all available food supplies;

(F) To make all possible efforts to secure the maximum production and distribution of locally produced commodities, and not to permit any measures to be taken involving sale, distribution, or use of any commodities of the character covered in this act which would reduce the locally produced supply of such commodities or the utilization of foreign sources of supply other than the United States;

(G) To enter into specific agreements providing for such use, distribution and sale of each classification of incentive goods, made available to it under the authority of this act, as will increase the production or distribution of locally produced commodities referred to in Paragraph (1) of Section 3 (A);

Control of Exports Provided

(H) Not to export or permit removal from such country, while need therefor continues, of commodities made available under the authority of this act or commodities of the same character produced locally or imported from outside sources, except to the extent agreed upon by the Government of the United States;

(I) To permit representatives of the Government of the United States, including such committees of the Congress as may be authorized by their respective Houses, to observe, advise, and report on the distribution among the people of such country of commodities made available under the authority of this act;

(J) To permit representatives of the press and radio of the United States to observe and report on the distribution and utilization of the commodities made available under this act and the special account provided for in Subsection (B) of this section.

Sec. 6. The President shall promptly terminate the provision of aid under this act for any country (A) whenever he determines that such country is not adhering to the terms of its agreement entered into in accordance with Section 5 of this act; or (B) whenever he finds, by reason of changed conditions, that the provision of aid under this act is no longer necessary or desirable; or (C) whenever he finds that because of changed conditions aid under this act is no longer consistent with the national interests of the United States.

To Mark Source on Articles

Sec. 7. All commodities made available under the authority of this act or the containers of such commodities shall, to the extent practicable, be marked, stamped, branded, or labeled in a conspicuous place as legibly, indelibly, and permanently as the nature of such commodities or containers will permit, in such manner as to indicate to the people of the country of destination that such commodities have been furnished or made available by the United States of America.

Sec. 8. Wherever reference is made, in this act, to commodities made available under the authority of this act, such reference shall be deemed to include commodities procured with credits made available to a recipient country under the authority of this act.

Sec. 9. The President shall take appropriate steps to encourage other countries to make available to recipient countries such aid as they may be able to furnish.

Sec 10. The President may, from time to time, promulgate such rules and regulations as he may find necessary and proper to carry out any of the provisions of this act: Provided, that nothing in this act shall be deemed to authorize the issuance of any proclamations, orders, rules, or regulations in any way controlling

production or prices or allocating deliveries of any commodity within the United States. He may delegate to the Secretary of State any of the powers or authority conferred on him under this act.

Office of Field Administrator

In accordance with the direction of the President, the responsibility for administering in the recipient countries the program of assistance provided for in this act shall be vested in the Field Administrator of the United States foreign relief program appointed pursuant to Section 4 of the joint resolution of May 31, 1947 (Public Law 84, Eightieth Congress).

The provisions of Subsections (I) and (J) of Section 5 of this act shall not apply to distribution of commodities in Austria; provided, that the President shall have determined, upon recommendation of the United States High Commissioner for Austria, that commodities furnished to Austria hereunder will be distributed under control systems embodied in agreements between the High Commissioner and the other occupying authorities or the Austrian Government which assure compliance with the objectives of the occupation and with the purposes of this act.

No citizen or resident of the United States shall serve under this act as a United States representative, observer or adviser until such person has been investigated as to loyalty and security by the Federal Bureau of Investigation. The Field Administrator may, when he finds it essential to the purposes of this act, utilize for observation the services of a limited number of other persons, who shall be investigated and approved by the Field Administrator.

$597,000,000 Is Authorized

SEC. 11. (A) There is hereby authorized to be appropriated not to exceed $597,000,000, out of any money in the treasury not otherwise appropriated, to carry out the provisions and accomplish the purposes of this act. This act, however, shall not imply any present or future obligation to give aid to any foreign country, nor shall it imply or guarantee the availability of any specific commodities.

(B) Notwithstanding any other provision of this act, none of the funds authorized or made available under this act shall be used or made available for use for the acquisition of wheat, wheat flour or cereal grain in the United States or the shipment thereof from the United States unless the President shall first—

(1) Survey the requirements of other countries which are dependent upon the United States for a portion of their supplies of such commodities;

(2) Estimate the quantities of such commodities which will probably be made available to such countries from the United States; and

(3) Estimate the total amount of such commodities available for export from the United States to the recipient countries, after giving due consideration to the quantity thereof required in this country for food, feed, seed, and industrial uses, and for the needs of other countries dependent upon the United States for supplies of such commodities. In estimating the amount of such commodities available for export from the United States the President shall allow for a carry-over of wheat in the United States as of July 1, 1948, of not less than 150,000,000 bushels to protect the economy of the United States from inflationary prices and to insure against a scarcity of bread for domestic consumption during the twelve-month period beginning July 1, 1948.

The funds authorized herein shall not be made available or used to acquire a quantity of wheat, wheat flour and cereal grain in the United States which, after taking into consideration the amount estimated for export to other countries, and the amount needed for domestic consumption in the United States, will leave a carry-over of less than 150,000,000 bushels of wheat on July 1, 1948, unless the estimates of the President after March 1, 1948, justify an increase in the amount available for export to recipient countries with full protection for domestic needs.

(C) Funds authorized under this act, when allocated to any department, agency, or independent establishment of the Government, shall be available for obligation and expenditure in accordance with the laws governing obligations and expenditures of such department, agency, or independent establishment or organizational unit thereof concerned, and without regard to Section 3709 and 3648 of the Revised Statutes, as amended (41 U. S. C. 5; 31 U. S. C. 529).

(D) Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation shall be made pursuant to this section, to make advances, not to exceed in the aggregate $150,000,000, to carry out the provisions of this act, in such manner and in such amounts as the President shall determine. From appropriations authorized under this section, there shall be repaid without interest to the Reconstruction Finance Corporation the advances made by it under the authority contained herein. No interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation in implementation of this subsection.

Reimbursement for Agencies

(E) Notwithstanding any other provision of law, any commodity heretofore or hereafter acquired by any agency of the Government under any price-support program shall, to the extent that such commodity is determined by the President to be appropriate for such purpose and in excess to domestic requirements, be utilized in providing aid under this act or any other act providing for assistance and relief to foreign countries, and shall be disposed of by such agency for such purpose at such price as may be determined by such agency, which price may be the equivalent of the domestic market price of a quantity of wheat having a caloric value equal to that of the quantity of the commodity so disposed of. Any such agency shall report to the Congress on March 31, 1948, or as soon as practicable thereafter, the amount of losses incurred by it as the result of the disposition of commodities hereunder and the Secretary of the Treasury is authorized and directed to cancel notes of such agency held by him in an amount equal to the amount of such losses.

Sec. 12. Personnel employed to carry out the purposes of this act shall not be included in computing limitations on personnel established pursuant to the Federal Employees Pay Act of 1945 (59 Stat. 298), as amended by Section 14 of the Federal Employees Pay Act of 1946 (69 Stat. 219).

Sec. 13. The President, from time to time, but not less frequently than once every calendar quarter, and until the end of the quarterly period after all operations under the authority of this act have been completed, shall transmit to the Congress a report of operations under this act. All information received pursuant to undertakings provided for by Section 5 (D) of this act shall, as soon as may be practicable after the receipt thereof, be reported to the Congress. Reports provided for under this section shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, is not in session.

Section on Aid to China

Sec. 14. The functions, applicable records, and funds provided for the purposes of carrying out this act shall be transferred to the administration of any organization for general foreign aid which Congress may provide. To the extent that any funds may be made available under provisions of any other act heretofore or hereafter passed relating to China, any funds reserved under this act for China may be used for aid to the other countries named in Section 2 of this act.

Sec. 15. After March 31, 1948, no funds may be obligated for the procurement of commodities provided for under this act.

Sec. 16. (A) Clause (1) in the proviso in the first paragraph of the first section of the Joint Resolution of May 31, 1947 (Public Law 84, Eightieth Congress), is amended to read as follows: "(1) To constitute more than 57 per centum of the aggregate amount contributed to said fund by all governments, including the United States;"

(B) The amendment made by subsection (A) of this section shall take effect as of May 31, 1947.

Sec. 17. If any provision of this act or the application of such provision to any circumstance shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other circumstances shall not be affected thereby.

Sec. 18. Nothing in this act shall be construed to make inapplicable, in the case of commodities procured under the authority of this act, the authority to prohibit or curtail exports granted by Section 6 of the act of July 2, 1940 (Public Law 703, Seventy-sixth Congress), as now in force or as hereafter amended.

WHAT FOREIGN AID ACT DOES

Here Is Summary of Its Principal Provisions.

Washington, Dec. 15 (A. P.).—Here are principal provisions of the Foreign Aid Act of 1947:

1. Makes up to $597,000,000 available to furnish food, fuel, fertilizer and relief goods to France, Italy, Austria and China, subject to later action by Congress actually appropriating funds.

2. Leaves to President Truman's discretion whether this country shall retain a 150,000,000 bushel wheat carry-over next spring.

3. Permits the President to cut off aid to any country which falls under Communist domination, without specifically stating that as the reason.

4. Allows shipment of "incentive" goods, such as cigarettes, to spur foreign production and provides for shipments of surplus American food products.

5. Requires that nations receiving assistance set up trust funds of their own currency equal to the cost of the aid they receive. These trust funds to be spent only by agreement between the United States and the recipient country.

6. Makes $150,000,000 advance by the Reconstruction Finance Corporation immediately available.

7. Requires that countries receiving help admit American news correspondents to observe program and instruct recipients to publicize the source of the aid.

8. Permits the purchase of 10 per cent of food and other supplies outside the United States, but not at more than domestic cost.

9. Directs that the relief program shall end March 31, 1948,

G.O.P. Price Measure Killed by Democrats

Republicans Predict No Action at Special Session.

WASHINGTON, Dec. 15 (AP)—A Republican drive to jam through a "voluntary agreements" system of fighting inflation fell 58 votes short of its mark in the house today and prospects were that any cost of living program must wait over until January.

Rep. Halleck of Indiana, the Republican floor leader, said after his party's defeat that it would be "impossible" now to get any anti-inflation program before the end of the special session, scheduled for Friday.

Actually, the Republicans rolled up a majority for their program—202 to 188. But a two-thirds majority was needed under the procedure followed, which barred all amendments from the floor to the measure, by Rep. Wolcott (R-Mich).

Democrats Stand Solid

Democrats, who seethed over the no-amendment rule and a 40-minute limitation on debate, stood solid and not one of them voted for the bill. Twenty-six Republicans came over to side with them in opposition.

The no-amendment rule barred the Democrats from getting a vote on any of President Truman's anti-inflation proposals, such as the authority he asked to impose price, wage and rationing controls on selected areas of the economy.

The Wolcott Bill provided, among other things for agreements among industries to take steps—short of price fixing—to hold down prices for the public good.

Democrats and Republicans both sought to pin the blame for no price-curbing legislation on the other side.

In sticking to the G. O. P. "This or Nothing Now" stand, Rep. Halleck said that if Congress had opened the measure up to debate the President's proposals, "action at all could have been had at the special session."

Rayburn Assails GOP

Rep. Rayburn (D-Tex), the Democratic leader, shouted to the Republicans:

"If this bill is voted down, it will be your responsibility if no other legislation is presented."

Reading part of the bill, he said: "Listen to the National Association of Manufacturers."

Speaker Martin (R-Mass) told reporters that "it is very doubtful that anything now can be done about economic legislation at the special session."

As soon as the vote was known, Rep. Patman (D-Tex) made public an administration proposal for wholesale price controls, plus possible retail controls if the wholesale restrictions do not work.

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The proposal was sponsored by Secretary of the Interior Krug, Secretary of Agriculture Anderson, Secretary of Commerce Harriman and Secretary of Labor Schwellenbach.

There was no indication it would get anywhere in the special session.

While the House debated, Senator Capehart (R-Ind) came up with a bill to freeze prices of all commodities at levels which prevailed at the close of business last Saturday.

"This bill," Capehart said as he introduced it in the Senate, "only asks that we go no further skywards in this spiral of destruction."

Capehart's measure also would forbid the sale of used cars at more than the price fixed by manufacturers for new cars.

In the House debate, Rep. Monroney (D-Okla.) argued that the Republicans really wanted no anti-inflation legislation this session.

"They know this bill looks better dead than alive. They want to point the finger of shame at the Democratic party," Monroney cried accusingly.

Rep. Wolcott warmed to the defense of his measure. He said it would give Mr. Truman "authority to start the program he has proposed."

Wolcott argued that the bill was a sound approach to curing what he called the main reason for high prices and inflation: (1) "The cheap money policies of the government" and (2) heavy demands from foreign countries for goods that are scarce here.

The industrial agreements authorized in the Wolcott Bill would call for sharing transportation facilities, marketing of livestock and poultry so as to use grain most efficiently, dividing up scarce materials and regulation of commodity speculation.

The bill further would continue export controls and presidential power to allocate box cars, and increase from 25 to 40 per cent the gold reserves behind currency issued by Federal Reserve banks and from 25 to 35 per cent the gold reserves these banks must carry to support deposits of commercial banks.

Where the industry agreements were approved by the President, anti-trust laws would be suspended.

CONGRESSMEN BID WEST ACT ALONE

For Separate German Pact as Big 4 Fail—Impossibility of Joint Action Seen by Eaton

WASHINGTON, Dec. 15 (AP)—The trend of Congressional comment today on the sudden breaking up of the London Foreign Ministers' conference was that this country should go ahead with Great Britain and France on stabilizing Western Europe without Russia's aid.

Among the comments were these:

Senator Olin D. Johnston, Democrat, of South Carolina: "I wouldn't hesitate one minute to go ahead to make a separate treaty without Russia. I prefer joint action, but I believe Great Britain and the United States must act if Russia won't."

Senator Burnet R. Maybank, Democrat, of South Carolina: "I've agreed with former Secretary of State James F. Byrnes all along that we [Great Britain and the United States.] Should make separate treaties with Austria and Germany without waiting for Russia."

Representative Charles A. Eaton, Republican, of New Jersey, chairman of the House Foreign Affairs Committee: "This simply demonstrates the impossibility of doing any business with the Russian Government looking toward the rehabilitation of the world."

Senator Tom Connally, Democrat, of Texas, ranking minority member of the Senate Foreign Relations Committee: "It is tragic. The world is waiting on the Foreign Ministers Council to bring about peace. * * * If they do not agree, the people of the world who want peace and want agreement must consider adoption of other measures."

Senator Elmer Thomas, Democrat, of Oklahoma: "The sooner we take definite action to go our own way the better. This is a serious situation and might lead to embarrassing circumstances:"

Senator Spessard L. Holland, Democrat, of Florida: "It is the responsibility of our Government to act jointly with Britain, France and our other friends in doing all within our power to bring order, production and commerce to that part of Europe and the world in which we have the power of decision. We of course will retain the hope that Russia will join us later."

Nimitz Acclaimed On Retirement

Washington, Dec. 15 (AP)—Fleet Admiral Chester W. Nimitz today stepped out as Chief of Naval Operations and Admiral Louis Denfeld was sworn in as his successor.

Secretary of Defense Forrestal, Gen. Dwight D. Eisenhower and many other top military leaders and Government officials gathered at the Navy Department to witness the transfer of command.

Immediately afterward, Nimitz left by auto for San Francisco, where he will be stationed as a special advisor to the Secretary of Navy.

Corridors of the navy building and the sidewalks outside were lined with navy employés as the 62-year-old wartime chief of the Pacific Fleet was "piped over the side" in traditional fashion.

At the swearing-in ceremony, Secretary of the Navy John L. Sullivan likened Nimitz to naval heroes of the past and Denfeld paid tribute to him as "one of the greatest naval officers of all times."

CONSENT DECREE ENDS ACME CARTEL ACTION

WASHINGTON, Dec. 15 (AP)—Attorney General Clark today announced that a consent decree has been entered in a suit against the National Acme Company of Cleveland "terminating international cartel agreements involving the manufacture and sale of high speed automatic machine tools."

The Attorney General said the decree was entered this afternoon in United States District Court at Cleveland, bringing to a close the Government civil suit against the company.

The Department said the Government complaint was based on an allegation of "a conspiracy to divide and control world markets with B. S. A. Tools, Ltd., of Birmingham, England, and Fittler Werkzeugmaschinenfabrik A. G. of Leipzig, Germany, the largest foreign manufactures" of multiple-spindle automatic machine tools.

National Acme was described as the producer of more than 50 per cent of such tools in this country.

The Department of State said that under cartel agreements the companies did not compete with each other in allocated areas. The agreements "reduced competition in one of the most advanced types of machine tools on the market," it added.

OPPOSES EXTENSION OF TRADE TREATY ACT

WASHINGTON, Dec. 15 (AP)—Rep. Chenoweth, Republican, of Colorado, said today he will oppose any attempt next year to extend the State Department's authority to negotiate reciprocal trade agreements.

Congress, he told a reporter, should reserve for itself the right to enter into such agreements, rather than turn the right over to the State Department.

"We in the West are the producers of raw materials, and the time has come when we will have to put up a fight for our own protection. The whole trend of the State Department now is to lower tariffs."

Mr. Chenoweth asserted that Colorado, particularly, will be adversely affected by the recent announcement of the State Department that tariffs on Angora rabbit wool will be cut after Jan. 1. On the other hand, he has sought to interest Congress in legislation to increase the tariff from 34 cents a pound to $3.

Approximately 15,000 persons in the United States are now engaged in producing Angora rabbit wool, and that business in Colorado alone last year amounted to $1,000,000, he said.

Domestic wool growers already have had difficulty in competing with foreign growers, and their case will be even worse with the reduced tariffs, he added. (The Reciprocal Trade Agreements Act will expire in June unless extended by Congress.)

Foreign-Worker's Bill Is Drawn Up

Washington, Dec. 15 (AP)—A proposal to permit entry into the United States of 100,000 carefully screened, qualified workers from Germany, Austria and Italy is contained in a bill drafted for introduction today by Representative Francis Case (R., S.D.).

The measure would include displaced persons but would not be limited to them, Case said.

He said the 100,000 allowed to enter should be broken down into these specific categories:

Thirty-six thousand general farm laborers, but not more than two to be hired on any farm, not more than twelve to a county.

Twenty-five thousand domestic servants, but not more than two to any household.

Twelve thousand vegetable and sugar beet growers, with no more than two to a farm.

Twelve thousand dairy workers, with a limit of two to a farm or processing plant.

Ten thousand hospital attendants, but not more than one per 50 beds in any hospital.

Five thousand mechanics, bricklayers, carpenters, plasterers and masons, with no more than two per contractor for each 100 employés.

Case said he proopses to limit the number of immigrants hired by particular establishments to "disarm the fears" of Americans who may distrust such legislation as opening the way to a flood of cheap, low-grade labor.

"The 100,000 total also has that objective," he said. "It is low enough to avoid frightening most people, but high enough to allow us to experiment on a sound basis."

SNYDER CALLS PLAN 'SEVERE'

Treasury Secretary Comments On Soviet Revaluation

Washington, Dec. 15 (AP)—Official Washington labeled Russia's newly announced currency revaluation program "severe" tonight and the State Department's "Voice of America" radio broadcasts questioned whether it would succeed in curbing inflation within the Soviet Union.

John W. Snyder, Secretary of the Treasury, said "Currency conversions of a much milder sort have been a part of postwar inflation control in numerous countries, including several non-Communist countries of western Europe." He added:

"It is interesting to find that the U.S.S.R. is faced with the same problems and must turn to a more severe form of the same device in order to meet them."

"Who's Got A Crisis Now"

"Voice of America" broadcasts beamed to many foreign countries took the line "Who's got an economic crisis now?", one official said, referring to frequent Moscow radio predictions that the United States economy was near a breakdown.

It was "Voice of America" which "broke" the revaluation story two weeks ago in a report that "panic buying" was sweeping the Soviet Union because of a widespread expectation that changes would be made in the currency.

Some Government officials, meanwhile, said they thought the currency revision scheme might be intended to help Soviet industrial workers at the expense of farmers.

These officials reasoned that Soviet farmers are about the only ones with currency hoards and thus would stand to lose heavily in exchanging old for new money.

RED MONEY MOVE CALLED IMITATION

Washington, Dec. 15 (A. P.).—Secretary of the Treasury Snyder said today that Russia has adopted a more severe currency conversion than non-Communist European countries dealing with the same problem of postwar inflation.

Snyder issued this statement:

"I have seen no official report respecting the currency conversion which, according to press statements, is to be carried out in the U. S. S. R. during the current week.

"Currency conversions of a much milder sort have been a part of postwar inflation control in numerous countries, including several non-Communist countries of western Europe.

"It is interesting to find that the U. S. S. R. is faced with the same problems and must turn to a more severe form of the same device in order to meet them.

"These western European conversions were aimed solely at soaking up excess purchasing power at a time of extreme shortage of goods. They were not linked with action to devalue the currency by changing the foreign exchange rate. So far as can be determined by press reports, this is also true of the projected conversion in Russia.

"In fact, if a currency conversion is effective in slowing down inflation, it may reduce pressures leading to devaluation."

Navy Reveals New Jet Fighter

Washington, Dec. 15 (AP)—The Navy disclosed today that it has a new jet fighter, the Grumman F9F Panther, which combines a top speed of more than 600 miles an hour with the quick takeoffs and slow landings needed for aircraft carrier operations.

The announcement said the Panther marks two important steps in American aviation:

1. It is the first operational plane using the "droop snoot," in which the wing is changed from a high-speed to a high-lift design by extending the leading edge forward and downward for takeoff and landing.

2. It is the first United States warplane built around a British turbo-jet engine, the Rolls Royce Nene. This engine, developing a 5,000-pound thrust, exceeds the performance of announced American types. It will be built by the Pratt & Whitney division of United Aircraft Corporation.

The Panther is also designed to use an American turbo-jet engine, the Allison Model 400, and half of the planes will be powered with each type.

About 100 Panthers will be ordered. The first two will use the Nene engine.

Plan Would Aid Debt-Paying Finland

Washington, Dec. 15 (AP)—United States Senator H. Alexander Smith (R., N.J.) said he would introduce a joint resolution today providing that further payments by the Republic of Finland on its World War I debt be used for the education of Finnish youth in the United States "to fit them for assisting in rebuilding of their country."

Smith said the bill would provide for a special fund to be set aside for this purpose.

He declared that he was being joined in presenting the proposal by Senators Fulbright, Saltonstall, Bricker, Knowland, Hatch, Lodge, Thomas, of Utah, O'Mahoney and Hill.

Never Defaulted

Smith, citing the reason for making the proposal, declared that "Finland alone, of all the countries who owed money to the United States after War I, had never defaulted in the payment of its obligation."

The Senator pointed out that the original debt of Finland to the United States was $8,251,926.17. This obligation was incurred for the relief of Finland in the period immediately following the first World War.

Smith cited an "important and historical precedent for the proposed action." He called attention to the turning over of the Boxer indemnity some years ago to China to be used for the education of young Chinese in the United States.

U.S. And Britain To Buy Fish For German Zones

Washington, Dec. 15 (AP)—The United States and Great Britain have agreed to buy up to 70,000 tons of fish from Iceland for consumption in the combined British-American zones of Germany during 1948.

The State Department announced tonight that the agreement was concluded in London between representatives of the three governments.

Further details on price, dates of delivery and types of fish will be settled later.

International Policing Is Urged For Greece

Washington, Dec. 15 (AP)—A 25,000 man international police force to help restore order in Greece was urged today by Representative Jackson (R., Cal.).

He introduced a resolution declaring:

"The hour of decision in Greece is drawing very close. The world awaits the answer of the United Nations."

The resolution calls on President Truman to ask the United Nations to create the police force.

Jackson said the military situation in Greece, with the national army beset by Communist-led attacks, has deteriorated to a point where it is of "the utmost importance."

Probe Of Dismantling In U.S. Zone Demanded

Washington, Dec. 15 (AP)—A halt in the dismantling of industrial plants in the American zone of Germany pending a congressional investigation was demanded today by Senators Bridges (R., N.H.) and Eastland (D., Miss.).

They introduced a resolution calling on James V. Forrestal, Secretary of Defense, to issue the stop orders to military and civilian occupation officials.

Congress in the meantime would determine which plants are clearly "nonconvertible war plants" and "study the economic effects of any such dismantling upon proposed expenditures in connection with the economic reconstruction of western Europe."

Army Announces Cut In Jap Silk Prices

Washington, Dec. 15 (AP)—A sharply cut price schedule for Japanese raw silk, effective January 1, 1948, was announced today by the Army Department.

Under the new schedule prices will range from $3.25 for triple A special braid down to $2.30 for Grade G. Under current prices, effective until December 31, 1947, prices for corresponding braids range from $5.60 down to $3.95.

Hereafter sales will be made under supervision of the supreme commander (SCAP) either in Tokyo or through the SCAP foreign trade office to be set up shortly in New York, acting on behalf of the Board of Trade, an agency of the Japanese Government.

On the basis of the new prices, the silk price stabilization program will be in effect through December 31, 1948. The seller, with approval of SCAP, will warrant to buyers in purchase contracts that it will not, prior to January 1, 1949, sell silk located either in the United States or Japan and covered by certificates of the Japanese Government Silk Conditioning House for less than specified basic prices per pound f.o.b. Japan.

ALIEN FARM LABOR URGED

Congress Asked to Admit DP's, Germans on 'Seasonal Basis'

WASHINGTON, Dec. 15 (AP)—A farm organization proposed to Congress today that the Government bring Germans and European refugees to the United States to aid in harvesting next year's crops.

John L. McGovern, chairman of the Natoinal Farm Labor Conference, told the House Agriculture Committee that at least 60,000 foreign workers were needed because of a shortage of farm labor in the United States.

He said that many farmers, worried over the possible loss of crops due to a lack of farm hands, would like to have German prisoners and displaced persons brought over "on a seasonal basis" from the United States Occupation Zone in Germany.

"It would take them off the relief rolls and make them eye-witnesses on how the American system of democracy works," he said. "Over here, they would accumulate savings to make them self-supporting and give them a new start in life when they return to their homes."

Mr. McGovern described the National Farm Labor Conference as an informal organization of users of foreign labor.

U.S. Sells 10 Locomotives To Finland for $60,000

HARRISBURG, Pa., Dec. 15 (AP).—The Finnish government today purchased ten coal-burning locomotives from the War Assets Administration, which said they originally were intended for Russia.

The purchase, awarded after sealed bids were opened at the W. A. A. customer service center, was made at a total cost of $60,000, or $6,000 each. The sixty-gauge-track locomotives, never used, cost $28,400 each, W. A. A. officials said.

The Finnish purchasing delegation also bought a $4,500 set of spare parts for the locomotives for $500.

WAA Offers 11 Locomotives.

Harrisburg, Pa., Dec. 15 (A. P.).—The War Assets Administration has come up with a bargain for would-be railroad magnates. Eleven brand new coal-burning locomotives made for the Russian Government during world war II are to be sold at auction today at the WAA customer service center at Harrisburg.

Nimitz Now Chief Of The Texas Navy

Austin, Texas, Dec. 15 (AP)—Admiral Chester W. Nimitz, who retired as chief of United States naval operations, has been given a new job—Chief of the Texas Navy.

Gov. Beauford H. Jester today designated Nimitz, a native Texan, as "Chief of Naval Operations of the Texas Navy." He commented that he did not think the duties would be burdensome.

Texas really had a navy once, four ships, when it fought its war of independence against Mexico.

In a telegram to Nimitz, Governor Jester also said: ". . . Texas is justly proud of one of its most distinguished sons and sends through me as Governor this message of congratulation and this assurance of the love and affection of its people."

Jewish Appeal Sets Top Quota

Atlantic City, Dec. 15 (A. P.).—An unprecedented quota of $250,000,000 for 1948 to help establish a Jewish State in Palestine, care for displaced and needy brethren in Europe and to provide necessities for Jewish immigrants to this country, was voted unanimously yesterday by 1,300 delegates of the United Jewish Appeal.

The national conference voted the quota—greatest fund-raising effort ever attempted by any organization in the country—in spite of an accumulated debt of $75,000,000 resulting from campaigns over the last five years.

Three Name Delegates For Little Assembly

Lake Success, Dec. 15 (AP)—Three countries nominated delegates today to serve in the year-around "Little Assembly" of the United Nations which convenes here January 5.

They are: China, T. F. Tsiang, ambassador and regular delegate on Security Council; Norway, Finn Moe, permanent delegate to the United Nations and Mexico, Luis Padilla Nervo, former Security Council delegate.

The Philippines announced the appointment of Senator Melecio Arranz as its member on the General Assembly's Korean election-independence commission which is scheduled to arrive in Seoul about January 10.

FOREIGN MINISTERS SEPARATE (370)
LONDON, DEC 15-(AP)-VLADIMIR PAVLOV, COUNSELLOR OF THE RUSSIAN
EMBASSY IN LONDON, DELIVERED THE NEWS OF THE BREAKDOWN OF THE FOUR
POWER FOREIGN MINISTERS' MEETING TONIGHT BY TELLING NEWSMEN:
"MR. BEVIN PRESIDED TODAY OVER THE LAST MEETING OF THE PRESENT
LONDON SESSION OF THE COUNCIL OF FOREIGN MINISTERS."
PAVLOV ENTERED THE MOTION PICTURE ROOM OF THE EMBASSY HERE,
WHERE RUSSIAN BRIEFINGS ON THE CONFERENCE HAVE BEEN HELD, AND BEGAN AN
ACCOUNT OF THE DAY'S PROCEEDINGS. HIS MANNER OF SPEAKING WAS AS
CHEERFUL AS IT WAS DURING MANY PRIEFINGS IN THE PAST.
IN HIS REPORT, HE DESCRIBED STATEMENTS BY U.S. SECRETARY OF
STATE MARSHALL AND BRITISH FOREIGN SECRETARY BEVIN AS "PERVERSIONS OF
THE FACT," WHICH DID NOT DEAL WITH "THE PRACTICAL ASPECTS" OF
RUSSIAN PROPOSALS."

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"ALL THEIR STATEMENTS APPARENTLY SET OUT TO DO," PAVLOV ADDED, "WAS TO ATTEMPT TO BLAME RUSSIA FOR THEIR FAILURE TO AGREE."

NEVERTHELESS, IT WAS REPORTED IN SEVERAL QUARTERS THAT THE MEETING CLOSED IN AN ATMOSPHERE FAR FROM ANGRY, DESPITE HARSH WORDS EXCHANGED DURING THE FINAL SESSION. SOME SAID IT ENDED ON A NOTE OF MILD RESIGNATION THAT NO ACCORD COULD BE REACHED AT THIS TIME.

BRITISH SOURCES SAID THAT SHORTLY AFTER THE MEETING BROKE UP, BEVIN AND SOVIET FOREIGN MINISTER V. M. MOLOTOV MET IN THE BAR AT LANCASTER HOUSE, WHERE THE MEETING WAS HELD, AND HAD A DRINK TOGETHER. AS HE LEFT THE BUILDING, MOLOTOV SMILED AND SHOOK HANDS WITH VARIOUS OFFICIALS OF THE OTHER DELEGATIONS. MARSHALL LEFT THE MEETING FIRST AND, AS USUAL, BY-PASSED THE BAR.

THE MEETING ENDED IN THIS MANNER AFTER MARSHALL SUGGESTED ADJOURNMENT:

FRENCH FOREIGN MINISTER GEORGES BIDAULT, REFERRING TO THE MANY PROBLEMS WHICH THE MINISTERRS HAD LEFT UNSOLVED, SAID THAT "DESPITE OUR THREE WEEKS OF EFFORT, I MUST AFFIRM WITH DISILLUSION THE VANITY AND FUTILITY OF OUR EFFORTS."

HE ADDED THAT HE CONSIDERED IT HIS "SAD DUTY" TO AGREE WITH MARSHALL'S MOTION FOR ADJOURNMENT. THERE FOLLOWED SOME DISCUSSION ON OTHER MATTERS.

THEN BEVIN ASKED HOW HIS COLLEAGUES FELT ABOUT ADJOURNING. MARSHALL COMMENTED THAT HE ALREADY HAD PROPOSED ADJOURNMENT, BUT MOLOTOV REMAINED SILENT.

LOOKING TOWARD MOLOTOV, BEVIN REMINDED THE MINISTERS OF THE RULE OF UNANIMITY WHICH GOVERNS THEIR DECISIONS.

MOLOTOV SAID HE HAD NEITHER COMMENT NOR OBJECTION.

"THE MOTION IS CARRIED," BEVIN DECLARED. "SHALL WE FIX THE DATE AND PLACE OF OUR NEXT MEETING?"

THERE WAS NO ANSWER.

MOLOTOV LIT A CIGARET. BIDAULT TURNED HIS BACK TO THE TABLE TO TALK WITH ONE OF HIS ADVISERS. MARSHALL, IN THE WORDS OF ONE OBSERVER, WAS "COMPLETELY IMMOBILE."

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FOURTH LEAD BIG FOUR

BY JOHN M.HIGHTOWER

LONDON, DEC. 15-(AP)-THE BIG FOUR FOREIGN MINISTERS BROKE OFF IN FAILURE TONIGHT THEIR THREE-WEEK EFFORT TO UNIFY GERMANY AND RESTORE AUSTRIAN INDEPENDENCE. SECRETARY OF STATE MARSHALL BLAMED SOVIET RUSSIA FOR THE COLLAPSE.

THE UNITED STATES, GREAT BRITAIN AND FRANCE, HE SAID, HAD BEEN ABLE TO AGREE ON MAJOR ISSUES BUT "THE SOVIET UNION ALONE REFUSES TO AGREE."

BRITISH FOREIGN SECRETARY ERNEST BEVIN, PRESIDING, OFFICIALLY DECLARED THE CONFERENCE ADJOURNED AFTER MARSHALL HAD MADE THE MOTION. BEVIN SAID THE TIME AND PLACE OF THE NEXT MEETING COULD BE DECIDED LATER, AMERICAN INFORMANTS SAID, THEREBY INDICATING HE EXPECTED ANOTHER CONFERENCE SOME DAY WOULD BE HELD.

RUSSIAN FOREIGN MINISTER V.M.MOLOTOV SAID HE NEITHER OBJECTED TO NOR AGREED WITH MARSHALL'S PROPOSAL TO ADJOURN. INFORMANTS SAID THAT BEFORE THIS UTTERANCE, MOLOTOV HAD REITERATED HIS CHARGES THAT THE WESTERN POWERS WERE INTENT UPON DIVIDING GERMANY.

AS THE DEADLOCKED CONFERENCE DREW TO A CLOSE MOLOTOV ANGRILY ACCUSED THE AMERICAN, BRITISH AND FRENCH FOREIGN MINISTERS OF FORMING A "COMMON FRONT" AGAINST RUSSIAN REPARATIONS CLAIMS AND ATTEMPTING "TO HEAP EVERYTHING ON THE HEAD OF THE SOVIET UNION." HE CHARGED THAT SOVIET PROPOSALS "ON THE AGENDA OF WORK TO BE DONE HERE" HAD BEEN IGNORED.

SECRETARY OF X X X AS BEFORE.

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FOREIGN MINISTERS INTERPRETIVE (710)

BY JOHN M. HIGHTOWER

LONDON, DEC. 15-(AP)-ALMOST THE LAST BARRIERS TO OUTRIGHT POLITICAL AND ECONOMIC WAR BETWEEN THE WESTERN POWERS AND RUSSIA WERE SWEPT AWAY TODAY IN THE COLLAPSE OF THE BIG FOUR CONFERENCE ON GERMANY.

THE UNITED STATES, GREAT BRITAIN AND FRANCE MAY NOW BE EXPECTED TO MOVE WITH SPEED AND PRECISION--PROBABLY EARLY NEXT YEAR--TO UNIFY WESTERN GERMANY AND JOIN ITS RESOURCES WITH THE MARSHALL PLAN FOR RECONSTRUCTION OF WESTERN EUROPE.

THE RESTRAINTS ON WESTERN POLICY WHICH EXISTED BEFORE THE FAILURE HERE--A FAILURE THAT ELIMINATED THE LAST CHANCE OF BIG FOUR UNIFICATION OF GERMANY--HAVE CEASED TO BE. ZONE MERGER, WHICH IN THE CASE OF THE BRITISH AND AMERICAN ZONES HAS BEEN PURELY ECONOMIC, MAY NOW BECOME THE BASIS FOR ESTERN GERMAN POLITICAL ADMINISTRATION AS WELL.

THE PLANS AND SPECULATIONS OF WESTERN DIPLOMATS--WHICH ARE YET TO BE CONFIRMED BY FORMAL POLICY DECISIONS OF THEIR GOVERNMENTS--HAVE BEEN KNOWN FOR WEEKS. IT WAS AGAINST THE CONSOLIDATION OF WESTERN GERMANY AS WELL AS FOR RUSSIA'S REPARATIONS CLAIMS THAT SOVIET FOREIGN MINISTER V. M. MOLOTOV FOUGHT HARDEST IN THE CONFERENCE.

IT IS NOT KNOWN WHAT RUSSIA INTENDS TO DO. THE RUSSIANS DO NOT TELEGRAPH IMPORTANT PUNCHES. THEY ARE CAPABLE OF SWIFT, DECISIVE ACTION, AND IN THE PRESENT CRISIS SUCH ACTION IS EXPECTED OF THEM.

PERSONS CLOSELY ASSOCIATED WITH SECRETARY OF STATE GEORGE C. MARSHALL SPECULATE THAT ONCE THE WESTERN POWERS BEGIN TO UNIFY WESTERN GERMANY, THE RUSSIANS WILL UNDERTAKE THE OPEN CREATION OF A POLITICAL STRUCTURE IN THE EAST.

THUS THERE MAY EMERGE IN THE MONTHS AHEAD TWO GERMAN GOVERNMENTS, EACH SPEAKING WITH THE VOICE OF GERMAN NATIONALISM AS WELL AS THE SENTIMENTS OF THE POWER OR POWERS SUPPORTING IT. AS FAR AS GERMANY GOES, THE DANGER OF REVIVING NATIONALISM AND PLAYING UPON THE DIFFERENCES BETWEEN THE ALLIED VICTORS OF WORLD WAR II MAY BE NEAR AT HAND.

AND JUST AS THE WEST INTENDS TO BUILD THE RESOURCES OF ITS PART OF GERMANY INTO THE RECOVERY OF WESTERN EUROPE, SO THE RUSSIANS MAY FOLLOW THE LINE OF INTEGRATING THEIR EASTERN ZONE INTO THE ECONOMIC-POLITICAL SYSTEM WHICH THEIR SATELLITE STATES RECENTLY HAVE BEEN CREATING THROUGH TRADE AGREEMENTS AND ASSISTANCE PACTS.

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THE PRACTICAL PARTITIONING OF GERMANY, AT LEAST SO FAR AS THE UNITED STATES IS CONCERNED, MOST PROBABLY WILL PROCEED IN THE IMMEDIATE FUTURE, HOWEVER, ON THE THEORY THAT GERMANY EVENTUALLY WILL BE UNIFIED. THE DANGER FORESEEN BY THE FRENCH IS THAT THROUGH FAILURE OF THE ALLIES TO AGREE NOW, GERMANY EVENTUALLY MAY BE A MORE POWERFUL STATE, MORE INFLUENTIAL IN THE AFFAIRS OF EUROPE THAN THE ALLIES EVER INTENDED IT SHOULD BECOME.

THE PROBLEMS OF UNIFYING GERMANY THROUGH JOINT ACTION OF THE WESTERN POWERS AND GERMANY MAY BECOME MORE DIFFICULT AS MONTHS AND PERHAPS YEARS GO BY. ON THE OTHER HAND, THE TASK THE FOREIGN MINISTERS FACED HERE SEEMED IMPOSSIBLE FROM THE FIRST.

THE LINES OF CONFLICT ALREADY WERE LAID DOWN WHEN THEY MET. THE ADHERENCE OF THE UNITED STATES, BRITAIN AND FRANCE TO THE MARSHALL PLAN AND THE VEHEMENT OPPOSITION OF THE SOVIET UNION TO THE PLAN MADE THE LONDON FAILURE ALMOST A FOREGONE CONCLUSION.

SINCE THE TIME AND PLACE OF THE MEETING HAD BEEN FIXED, HOWEVER, IT HAD TO BE HELD, AND SINCE IT HAD TO BE HELD, THOSE STEPS TOWARD ORGANIZATION OF WESTERN GERMANY WHICH SOME AMERICAN AND BRITISH LEADERS CONSIDERED INEVITABLE HAD TO BE DELAYED PENDING RESULTS HERE.

THE NEAREST THING TO POSITIVE ACHIEVEMENT OF THE LONDON MEETING WAS THE SUGGESTION PUT FORWARD BY MARSHALL AND BRITISH FOREIGN SECRETARY ERNEST VEVIN TONIGHT THAT SOME TIME, SOMEWHERE, ANOTHER MEETING SHOULD BE HELD.

TO KEEP THE BIG FOUR TALKING, TO KEEP UP THE SLENDER BRIDGES THAT STILL CONNECT WASHINGTON, LONDON AND PARIS WITH MOSCOW, BECOMES THE TASK OF BIG FOUR DIPLOMACY, PENDING THE TIME WHEN CONDITIONS ARE MORE SUITABLE THAN THEY WERE HERE FOR A GENERAL SETTLEMENT BETWEEN EAST AND WEST.

THAT TIME PROBABLY WILL NOT COME UNTIL THERE HAS BEEN A SEVERE TEST OF STRENGTH BETWEEN THE CONTENDING FORCES--UNTIL THE FATE OF THE MARSHALL PLAN AND RUSSIAN ORGANIZATION OF EASTERN EUROPE ARE KNOWN.

MEANWHILE, THE FATE OF ALL EUROPE AS WELL AS OF THE BIG POWERS THEMSELVES IS DEEPLY INVOLVED, AND THE IMPERATIVES OF TRADE--RESULTING IN SUCH ARRANGEMENTS AS THE NEW BRITISH-SOVIET TRADE PACT--AND A KIND OF GENERAL FEELING THAT THE ISSUES CAN BE SETTLED, SHORT OF WAR, ARE THE ONLY RESTRAINTS THAT REMAIN TO REASSURE THE WORRIED CITIZENS OF THE WORLD.

WB826PES

A40 London add ax conference

MOLOTOV DECLINED EITHER TO AGREE TO OR PROTEST THE ADJOURNMENT OF THE CONFERENCE.

FRENCH FOREIGN MINISTER GEORGES BIDAULT AT TIMES MADE SARCASTIC COMMENTS ON MOLOTOV'S PROPOSALS. REFERRING TO MOLOTOV'S CHARGE THAT THE MINISTERS WOULD NOT DISCUSS SOVIET PROPOSALS IN DETAIL, BIDAULT REMARKED:

"IN THREE WEEKS THE COUNCIL HAS DONE NOTHING AND YET WE ARE ASKED TO DISCUSS EACH DISAGREEMENT PARAGRAPH BY PARAGRAPH AND THEN REFER THESE DISAGREEMENTS TO A DRAFTING COMMITTEE WHICH DOES NOT EXIST."

IN CONCLUSION BIDAULT GAVE CLEAR WARNING THAT FRANCE'S ATTEMPTS TO FORM COMPROMISES WHICH MIGHT BE ACCEPTABLE TO THE SOVIET UNION WERE ENDED. REFERRING TO FRANCE'S COMPROMISE PROPOSAL ON GERMAN ASSETS IN AUSTRIA, BIDAULT SAID:

"THE MANIFOLD EFFORTS OF THE FRENCH TO PROVIDE A CONCILIATORY WAY HAVE FAILED. IT IS NOT POSSIBLE FOR THE FRENCH TO GURANTEE THAT THEY WILL CONTINUE THESE COMPROMISE EFFORTS OR EVEN TO MAINTAIN THEM."

MOLOTOV MADE A LAST MINUTE EFFORT ON THE GERMAN ASSETS CLAUSE OF THE AUSTRIAN TREATY DRAFT SAYING THE SOVIET UNION WAS WILLING TO TAKE TWO-THIRDS OF THE AUSTRIAN OIL FIELDS IN PLACE OF THE ONE-THIRD OFFERED IN THE FRENCH COMPROMISE.

THERE WAS NO DISCUSSION ON THIS. AT BEVIN'S SUGGESTION THE AUSTRIAN TREATY WAS REFERRED BACK TO THE DEPUTIES FOR FURTHER STUDY. THEN THE LEAST PRODUCTIVE CONFERENCE OF THE BIG FOUR FOREIGN MINISTERS ON RECORD CAME TO AN END.

WB648PES

LONDON--NIGHT LEAD FOREIGN MINISTERS, INSERT AFTER FIFTH GRAPH, BEGINNING: "THE BREAKUP" AND ENDING "GERMANY."

THE POLITICAL AND ECONOMIC MERGER OF THE FRENCH OCCUPATION ZONE WITH THE ECONOMICALLY-UNITED BRITISH AND AMERICAN ZONES WAS REGARDED NOW BY WESTERN OBSERVERS AS ALMOST A CERTAINTY.

MARSHALL'S REPUBLICAN ADVISER, JOHN FOSTER DULLES, SAID IN AN INTERVIEW AFTER THE CONFERENCE:

"AGREEMENT CAN BE REACHED ON A COMBINATION OF THE THREE (WESTERN) ZONES. FRENCH DIFFERENCES ARE NOT ARBITRARY BUT A MATTER FOR DISCUSSION AND SETTLEMENT.

AS THE X X X SIXTH GRAPH PREV (A15)

B615PES

BOX WITH FOREIGN MINISTERS

LONDON, DEC. 15-(AP)-THE FOREIGN MINISTERS OF THE UNITED STATES, GREAT BRITAIN AND THE SOVIET UNION HAVE HELD THESE COUNCIL SESSIONS SINCE THE END OF THE WAR:

LONDON -- SEPT. 11 TO OCT. 2, 1945.
MOSCOW -- DEC. 16 TO 26, 1945.
PARIS -- APR. 25 TO JULY 12, 1946.
NEW YORK -- NOV. 4 TO DEC. 12, 1946.
MOSCOW -- MARCH 10 TO APR. 24, 1947.
LONDON -- NOV. 25 TO DEC. 15, 1947.

CHINA PARTICIPATED IN THE FIRST MEETING. FRANCE PARTICIPATED IN ALL BUT THE SECOND.

WB716PES

30.24- 14267

(WX)-LONDON--SECOND ADD MARSHALL TEXT X X X THIS SESSION.
(IN WASHINGTON, THE STATE DEPARTMENT RELEASED THE FOLLOWING ADDITION TO THE TEXT:
("SECRETARY MARSHALL'S PROPOSAL WAS AGREEABLE TO THE FRENCH FOR ADJOURNMENT, FOLLOWING WHICH MR.BEVIN RAISED THE QUESTION OF THE AUSTRIAN TREATY, AND WHETHER IT SHOULD BE SENT TO THE DEPUTIES FOR FURTHER STUDY.
("IT WAS SO DECIDED.
("MR.BEVIN THEN CALLED FOR DISCUSSION OF THE MOTION TO ADJOURN. SECRETARY MARSHALL MADE THE FOLLOWING REMARKS:
("I PROPOSED THE ADJOURNMENT AND I THEREFORE DO NOT THINK THAT I HAVE TO EXPRESS MYSELF AGAIN.
("WHEN WE MEET AGAIN, I HOPE IT WILL BE IN AN ATMOSPHERE MORE CONDUCIVE TO THE SETTLEMENT OF OUR DIFFERENCES.")
(END TEXT)
GG710PES

SOUTHAMPTON, ENG., DEC. 15-(AP)-THE U.S. STEAMER TITAN STARTED UNLOADING TODAY THE BIGGEST CARGO OF MAIL EVER UNLOADED HERE. THOUSANDS OF FOOD PACKAGES FILLED THE 54,660 MAIL BAGS. ANOTHER 4,928 BAGS OF FOOD AND PARCELS, MAINLY CHRISTMAS GIFTS FOR AMERICAN OCCUPATION TROOPS IN GERMANY, WILL BE TAKEN TO BREMEN.

DEC -1947

APR 01725 AM 1325

FRANKFURT, GERMANY, TUESDAY, DEC. 16-(AP)-THE UNITED STATES AIR FORCE SAID EARLY TODAY A C-45 TRANSPORT PLANE WITH TWO PERSONS KNOWN TO BE ABOARD WAS OVERDUE AT WIESBADEN AIR BASE. THE PLANE LEFT THERE AT 6:57 LAST NIGHT (11:57 A. M., EASTERN STANDARD TIME), SCHEDULED TO RETURN LATER, AND LOST RADIO CONTACT ABOUT AN HOUR LATER.
WB950PES

ATHENS, DEC 15-(AP)-THE MINISTRY OF JUSTICE ORDERED TODAY AN INVESTIGATION INTO CHARGES BY THE PIRAEUS LEAGUE OF MERCHANTS THAT APPROXIMATELY $4,500,000 (MILLION) WORTH OF FOODSTUFFS HAD SPOILED IN GREEK WAREHOUSES DURING THE PAST FIVE MONTHS BECAUSE OF FAILURE TO DISTRIBUTE THEM.
THE LEAGUE SAID THE SPOILED FOODSTUFFS INCLUDED CHEESE, CANNED MILK, SUGAR, POWDERED MILK, VEGETABLES, CODFISH, HERRING, LARD AND CANNED GOODS.
THE AMERICAN MISSION TO AID GREECE PREVIOUSLY HAD REPORTED THAT $75,000,000 (MILLION) WORTH OF SUPPLIES AND EQUIPMENT SHIPPED IN BY THE UNRRA AND OTHER AGENCIES WERE LYING UNDISTRIBUTED IN WAREHOUSES AND ON DOCKS.
MK621AES

KRAKOW, POLAND, DEC. 15-(AP)-PROSECUTORS SUMMED UP BEFORE THE SUPREME NATIONAL TRIBUNAL WAR CRIMES EVIDENCE AGAINST 40 SS (ELITE GUARD) OFFICERS CHARGED WITH MASS MURDERS OF WAR PRISONERS AT THE AUSCHWITZ (OSCIEWIM) CONCENTRATION CAMP.
TADEUSZ CYPRIAN CHARGED THE GERMANS PLANNED TO EXTERMINATE ALL PEOPLES OF SLAV NATIONS WHO OPPOSEK HITLER AND INTENDED TO EXPAND THEIR DEATH FACTORY SYSTEM TO THE EXTENT THAT 10,000,000 MIGHT BE KILLED ANNUALLY. HE AND OTHER PROSECUTORS DESCRIBED THE INDIVIDUAL ROLES OF THE 35 MEN AND FIVE WOMEN ON TRIAL IN BEATINGS, STARVATION, MEDICAL EXPERIMENTS, GASSINGS, AND CREMATIONS.
EVIDENCE AT THE TRIAL SHOWED THAT AT LEAST 4,500,000 CAPTIVES WERE KILLED AT AUSCHWITZ AFTER BEING BROUGHT FROM FRANCE, ITALY, HOLLAND, CZECHOSLOVAKIA, YUGOSLAVIA, RUSSIA, POLAND,HKGARY AND OTHER COUNTRIES.
RQ1120AES

WROCLAW, POLAND, DEC 15-(AP)-COMMUNIST VICE-PREMIER WLADISLAW W. GOMULKA SAYS SOVIET RUSSIA STANDS AS A BULWARK OF PEACE "AGAINST IMPERIALISTIC REACTION HEADED BY THE UNITED STATES" AND THAT AMERICA IS INFRINGING THE SOVEREIGNTY OF NATIONS THROUGH DOLLAR LOANS.
GOMULKA TOLD POLISH SOCIALISTS, OPENING A FOUR DAY NATIONAL CONGRESS YESTERDAY, THAT POLAND'S FRONTIER WAS INVIOLABLE.
"THE PRESERVATION OF OUR BORDERS IS THE MAIN AIM OF OUR SECURITY AND WORLD PEACE," GOMULKA SAID.
(IN 1945 THE U.S. BRITAIN AND RUSSIA AGREED AT POTSDAM THAT "PENDING THE FINAL DETERMINATION OF POLAND'S WESTERN FRONTIER," IT SHOULD LIE ROUGHLY ON THE ODER AND WESTERN NIESSE RIVERS, EMBRACING AN INDUSTRIAL AREA OF PRE-WAR GERMANY. THE TERRITORY IS STILL BEING DISPUTED AT THE BIG FOUR FOREIGN MINISTER'S CONFERENCE IN LONDON.)
GOMULKA URGED THE WORKING CLASSES TO FIGHT TOGETHER IN AN "ANTI-IMPERIALISTIC AND ANTI-WAR PROGRAM." HE LASHED OUT AT SOCIALISTS "WHO SIT ON THE FENCE AND REFUSE TO GET ON EITHER SIDE."
WROCLAW, IN THE INDUSTRIAL REGION OF SILESIA, WAS KNOWN AS BRESLAU, GEMA, BEFORE THE WAR.
MK729AES

Warsaw, Dec. 15--(AP)--United States Ambassador Stanton Griffis left by air for London today to report to Secretary of State Marshall on the Polish situation.

DEC - 1947

Griffis intends to go to Washington from London, having been summoned there for consultations. He expected to return to Warsaw within a few weeks.

RUSSIAN SEPARATE

MOSCOW, DEC. 15-(AP)-A FOREIGN DIPLOMATIC SOURCE SAID TODAY THAT FOREIGN EMBASSIES AND LEGATIONS IN MOSCOW HAD BEEN INFORMED OFFICIALLY BY THE SOVIET GOVERNMENT THAT THE MONETARY RATE OF EXCHANGE FOR DIPLOMATS WOULD BE EIGHT RUBLES TO THE U.S. DOLLAR AFTER THE RUSSIAN CURRENCY REFORM GOES INTO EFFECT TOMORROW.

HERETOFORE THE DIPLOMATIC RATE WAS 12 RUBLES TO THE DOLLAR.

WB944PES

MOSCOW, DEC. 15-(AP)-PRIME MINISTER STALIN IS REPORTED TO HAVE RETURNED TO MOSCOW AFTER A VACATION AT THE BLACK SEA RESORT OF SOCHI. HE IS BELIEVED TO HAVE BEEN SEEN AT A BOLSHOI THEATER PERFORMANCE LAST FRIDAY EVENING.

THE FIRST NEWS THAT STALIN HAD DEPARTED FOR THE SOUTH CAME SEPT. 9, WHEN PRAVDA CARRIED AN ANNOUNCEMENT THAT HE HAD TRAVELED FROM YALTA TO SOCHI ABOARD A SOVIET CRUISER. HE WAS MET AT SOCHI BY FOREIGN MINISTER V.M.MOLOTOV.

STALIN'S VACATION WAS MARKED THIS YEAR BY HIS GRANTING AN INTERVIEW IN SOCHI TO EIGHT LABORITE MEMBERS OF THE BRITISH PARLIAMENT. (HE TOLD THEM HE HAD NO THOUGHT OF MAKING WAR AND WANTED TO SETTVE POLITICAL AND ECONOMIC ISSUES WITH THE UNITED STATES, MEMBERS OF THE DELEGATION SUBSEQUENTLY REPORTED.)

--DASH--

STALIN WILL BE 68 SUNDAY. MARIO DE PIMENTEL BRANDAO, FORMER BRAZILIAN AMBASSADOR TO MOSCOW, SAID IN STOCK HOLM NOV. 11 WHILE EN ROUTE TO RIO DE JANEIRO THAT THE STATE OF THE RUSSIAN LEADER'S HEALTH WAS CAUSING CONCERN TO HIS DOCTORS.

JS1240PES

CITIZENS OF MOSCOW RECEIVED NEWS OF THE RATIONING ABOLITION WITH OPEN JOY. WHEN THE DECREE WAS BROADCAST AND THEY REALIZED ITS IMPORT, RUSSIANS SLAPPED ONE ANOTHER ON THE BACK AND MET IN GROUPS TO DISCUSS DEVELOPMENTS.

WHEN THE DECREE GOES INTO EFFECT RUSSIA WILL BECOME THE FIRST OF THE LARGER AND CONSUMER GOODS.

UNDER THE NEW DECREE THE RUSSIAN WORKER'S SALARY REMAINS THE SAME.

HE CAN BUY FOOD, CLOTHES OR ANY OTHER CONSUMER GOODS IN SUCH QUANTITIES AS HE HAS MONEY TO PAY FOR.

IF HE HAS MONEY IN SAVINGS BANKS OR GOVERNMENT BONDS HE WILL MAKE OUT BETTER THAN IF HE HAD THE CASH IN HIS POCKET.

HE HAS BEEN APPRISED THAT THE CHANGES MAY COST HIM MONEY. THE ANNOUNCEMENT OF THE DECREE SAID THAT ANY MONETARY LOSSES SUFFERED BY INDIVIDUALS UNDER THE CURRENCY REFORM WERE "THE LAST SACRIFICES" WHICH WOULD BE DEMANDED OF THEM AS THE RESULT OF WORLD WAR II.

THE DECREE SAID THAT CURRENCY REFORM WAS NECESSARY TO ALLOW THE ENACTMENT OF DE-RATIONING AND TO PUT RUSSIAN ECONOMY ON A SOUND BASIS. THE ANNOUNCEMENT SAID TOO MUCH MONEY WAS CIRCULATING THROUGHOUT THE U.S.S.R. AS COMPARED TO GOODS TO BE BOUGHT. IT ADDED THAT THE EXCESS CASH WAS COMING FROM TWO SOURCES--VAST MILITARY EXPENDITURES WHICH REQUIRED PUTTING LARGE SUMS INTO CIRCULATION AND ALSO FROM "COUNTERFEIT MONEY IN RUBLES" LEFT BY THE GERMAN ARMY WHEN IT WAS OCCUPYING PART OF RUSSIA.

THE OLD RUBLE WAS HELD AT 5.3 TO THE DOLLAR IN FOREIGN EXCHANGE. THE DIPLOMATIC EXCHANGE RATE, AT WHICH DIPLOMATS CHANGE THEIR MONEY, WAS 12 RUBLES TO THE DOLLAR.

JR308AES

WITH SHANGHAI (250)

BY HAROLD K.MILKS

TSINAN,CHINA,DEC 14 (DELAYED)-(AP)-GOVERNMENT FORCES HAVE LOST THE INITIATIVE AND ARE JUST "HOLDING ON" IN VITAL SHANTUNG PROVINCE, WHICH ONLY A FEW MONTHS AGO WAS EXPECTED TO BE THE SCENE OF A DECISIVE VICTORY OVER THE CHINESE COMMUNISTS.

EVERYWHERE I VISITED DURING A TRIP ON THE FIRST THROUGH EXPRESS TRAIN FROM NANKING TO TSINAN, DEFENSIVE MEASURES WERE EMPHASIZED. BLOCK HOUSES LINE THE RAILROAD AND SURROUND EVERY VILLAGE.

A DEEP MOAT HAS BEEN DUG COMPLETELY AROUND THIS PROVINCIAL CAPITAL, WHICH AT NIGHTFALL BECOMES A COUNTERPART OF A MEDIEVAL CASTLE WHICH EVERY BLOCK SEPARATED FROM THE NEXT BY A SYSTEM OF BARBED WIRE PILLBOXES AND SENTRIES.

GEN.WANG YAO-WU'S ARMY, ITS STRENGTH SHORN BY THE TRANSFER OF CRACK COMBAT UNITS TO OTHER FRONTS, HAS BEEN REDUCED TO A HOLDING STATUS. WANG, ALSO GOVERNOR OF THE PROVINCE, SAID IN AN INTERVIEW THAT THE GOVERNMENT'S INTENSIVE CAMPAIGN OF THREE MONTHS AGO HAD BEEN "SUCCESSFUL STRATEGICALLY" BUT WAS NOT A TACTICAL SUCCESS.

30.24- 14269

"WE ACHIEVED OUR PRINCIPAL OBJECTIVE IN CAPTURING CHEFOO (DEEP WATER PORT ON THE NORTHERN COAST OF THE PENINSULA) AND CUTTING THE REDS' COMMUNICATION LINE WITH SOVIET HELD DAIREN AND PORT ARTHUR.

"BUT IT WAS NOT A TACTICAL SUCCESS BECAUSE WE FAILED IN MOPPING UP THE AREA OR IN DESTROYING THE COMMUNIST ARMIES."

LAST APRIL, WANG SAID THAT THE CAPTURE OF CHEFOO AND THE DISRUPTION OF THE SUPPLY LINE BY WHICH SHANTUNG COMMUNISTS WERE RECEIVING HELP WOULD SHORTEN THE CIVIL WAR BY AT LEAST ONE YEAR.

OTHER MILITARY SOURCES IN TSINAN SAID THE INITIATIVE WAS ENTIRELY IN THE HANDS OF THE REDS WHO NOW HOLD MORE PROVINCIAL AREA THAN THE GOVERNMENT, WHILE THE NATIONALISTS CONTROL THE MAJORITY OF THE CITIES.

GG730ACS NM

SAIGON, INDOCHINA, DEC 15-(AP)-DEMONSTRATIONS CALLING FOR THE RETURN OF BAO DAI, FORMER EMPEROR OF ANNAM, WERE HELD TODAY IN MOST TOWNS OF INDOCHINA WHICH ARE UNDER FRENCH CONTROL.

IN HANOI, A CROWD OF 15,000 HEARD DR.VON GOC HUYNH, PRESIDENT OF THE "PROVISIONAL COMMITTEE OF POPULAR SUPPORT FOR BAO DAI," ACCUSE INSURGENT VIET-NAM LEADERS OF TRYING TO "BOLSHEVIZE" INDOCHINA. VIET-NAM TROOPS HAVE BEEN FIGHTING FRENCH FORCES SINCE THE END OF THE WAR WITH JAPAN. BAO DAI HAS BEENN IN EXILE IN HONG KONG. ANNAM IS ONE OF THE MAJOR STATES OF INDOCHINA.

DY1036PES

TOKYO, DEC 15 (AP)-OPPOSITION TO GENERAL MACARTHUR'S PROPOSAL FOR A UNITED NATIONS TRUSTEESHIP OVER JAPAN WAS VOICED TODAY BY TWO FORMER DIPLOMATS WHO ARE HEADING A JAPANESE CAMPAIGN FOR MEMBERSHIP IN THE INTERNATIONAL ORGANIZATION.

NAOTAKE SATO, FORMER FOREIGN MINISTER, AND KEN HARADA, ONETIME MINISTER TO THE VATICAN, SAID A TRUSTEESHIP WOULD BE "UNSUITABLE." HOWEVER, THEY SAID U.N.SUPERVISION WOULD BE PREFERABLE TO THAT OF THE FAR EASTERN COMMISSION IF A CONTROL ORGANIZATION IS NECESSARY AFTER THE COMPLETION OF A PEACE TREATY.

MACARTHUR SUGGESTED A TRUSTEESHIP FOR JAPAN LAST MARCH WHEN HE URGED AN EARLY PEACE TREATY FOR THE VANQUISHED NATION.

GG739ACS-NM

Panama, Panama, Dec. 15--(ap)-- Public high school students walked out of their classrooms today. HERE IT WAS DEC

It was reported the walkout was staged in protest against the arrest of five professors in connection with [illegible]

LAST WEEK demonstrations against ratification of the defensed bases agreement with the United States. The agreement now is before the Panamanian national assembly.

GUAM, DEC.15-(AP)-TWO FORMER JAPANESE SOLDIERS WENT ON TRIAL TODAY ON CHARGES OF MURDERING AN UNARMED BRITISH NATIONAL, CHARLIE SMITH, ON BABELTHUAP ISLAND IN THE PALAU GROUP IN DECEMBER, 1944.

THE DEFENDANTS, WARRANT OFFICER MISAO AJIOKA AND SGT.YAMADA IJA, WERE MEMBERS OF A MILITARY POLICE DETACHMENT ON THE ISLAND, WHERE SMITH AND HIS NATIVE WIFE HAD LIVED MANY YEARS.

THE FIVE-MAN TRIAL COMMISSION IS HEADED BY REAR ADM.ARTHUR G. ROBINSON OF WASHINGTON, D.C.

VR613ACS

SYDNEY, AUSTRALIA, DEC.15-(AP)-PRIVATE TRADING BANKS IN THE STATES OF VICTORIA, SOUTH AUSTRALIAN AND WESTERN AUSTRALIA WERE GRANTED AN INJUNCTION BY THE HIGH COURT TODAY RESTRAINING THE COMMONWEALTH FROM PROCEEDING WITH NATIONALIZATION OF BANKS.

THE COURT WILL START HEARING ARGUMENTS IN MELBOURNE LATE IN FEBRUARY AND THE INJUNCTION WILL OPERATE UNTIL IT RENDERS JUDGMENT.

WM1024AES

might lend its

Havana, Cuba, dec. 15 - (ap) - the united states moved today to overcome a major barrier to progress at the havana trade conference by advocating equal votes for all nations in the proposed international trade organization.

FOREIGN ASSETS (300)

WASHINGTON,DEC.15-(AP)-THE UNITED STATES, $3,636,000,000 IN DEBT TO THE WORLD JUST BEFORE WORLD WAR I, IS NOW A $10,400,000,000 CREDITOR WITH A NET INCOME OF OVER $400,000,000 A YEAR FROM HOLDINGS OVERSEAS.

THIS SHOWED UP TODAY IN A TREASURY REPORT WHICH OFFICIALS BROUGHT UP TO DATE WITH ESTIMATES THAT:

1. PRIVATE OWNERS, BOTH INDIVIDUALS AND CORPORATIONS, HOLD ABOUT $16,400,000,000 WORTH OF INVESTMENTS LOCATED ABROAD. THEY INCLUDE REFUGEES ARRIVING HERE AFTER 1937 WITH FOREIGN HOLDINGS WORTH OVER $1,660,000,000.

2. THE U.S. GOVERNMENT NOW HAS ABOUT $8,000,000,000 IN LIVE DEBT CLAIMS ON FOREIGN COUNTRIES, NOT COUNTING OVER $10,000,000,000 IN VIRTUALLY DEAD WORLD WAR I DEBTS AND LEND-LEASE ACCOUNTS FROM WORLD WAR II THAT HAVE NOT BEEN SETTLED.

3. ON THE OTHER SIDE OF THE PICTURE, FOREIGN-OWNED ASSETS IN THIS COUNTRY, INCLUDING HOLDINGS OF BOTH FOREIGN GOVERNMENTS AND PRIVATE INTERESTS, ARE DOWN TO AROUND $14,000,000,000 AND SHRINKING.

THE TREASURY REPORT SHOWED THE U.S. TOOK IN $590,000,000 IN INCOME FROM ITS FOREIGN INVESTMENTS ABROAD LAST YEAR AND, AFTER PAYING FOREIGNERS $173,000,000 ON THEIR HOLDINGS OVER HERE, WOUND UP WITH A NET OF $438,000,000.

THE GOVERNMENT GOT $21,000,000 OF THE NET INCOME AND PRIVATE OWNERS THE OTHER $417,000,000.

THE HEAVIEST U.S. PRIVATE STAKE ABROAD IS $7,700,000,000 WRAPPED UP IN AMERICAN-CONTROLLED FOREIGN BUSINESS ENTERPRISES, SCATTERED OVER THE GLOBE. NEXT HIGHEST, $5,550,000,000, IS IN FOREIGN SECURITIES.

U.S. OWNED INVESTMENTS IN CANADA, AT $4,446,000,000 IN MID-WAR 1943, LATEST PERIOD FOR WHICH THE TREASURY HAD DETAILS, WAS FOUR TIMES AS HEAVY AS IN ANY OTHER ONE COUNTRY AND ABOUT EQUAL TO THE ENTIRE INVESTMENT IN EUROPE. LATIN AMERICA STOOD THIRD.

BRITAIN AND GERMANY TOGETHER ACCOUNTED FOR HALF OF THE EUROPEAN STAKE, DIVIDING IT NEARLY EQUALLY. GERMANY'S BIG TOTAL WAS LARGELY DUE TO THE FLIGHT OF REFUGEES FROM THERE AFTER 1937.

MORE THAN 215,000,000 INDIVIDUALS, CORPORATIONS AND OTHER ORGANIZATIONS SHARED IN THE FOREIGN-OWNED ASSETS, AND FOR 70 PER CENT OF THEM THE AVERAGE SHARE WAS WORTH $2,300.

MD2/41AES

30.24- 14271

NIGHT LEAD
WASHINGTON,DEC.15-(AP)-THE UNITED STATES IS UNABLE TO DEPORT 180 RUSSIAN ALIENS BECAUSE THE SOVIET GOVERNMENT WON'T GRANT THEM PASSPORTS, WATSON B.MILLER, IMMIGRATION COMMISSIONER, TOLD A SENATE SUBCOMMITTEE TODAY.
"THE RUSSIANS JUST DON'T WANT THEM," HE SAID. "THERENKM OTHER COUNTRY TO

"THE RUSSIANS JUST DON'T WANT THEM," HE SAID. DEC -1947 "THERE IS NO OTHER COUNTRY TO WHICH WE OVGMZ O

OTHER COUNTRY TO WHICH WE CAN SEND THEM."
MILLER GAVE THIS SIDELIGHT WHILE BEING QUESTIONED BY A JUDICIARY SUBCOMMITTEE. HE IS SERVING UNDER A RECESS APPOINTMENT MADE BY PRESIDENT TRUMAN, AND HIS SELECTION IS STILL SUBJECT TO SENATE CONFIRMATION.
THE SUBCOMMITTEE LATER IN THE DAY VOTED TO APPROVE THE NOMINATION.
MANY OF THE ALIEN RUSSIANS, MILLER SAID, ARE FREED UNDER WRITS OF HABEAS CORPUS OR ARE IN CUSTODY OF THEIR LAWYERS.
MD1237AESNM

WASHINGTON, DEC.15-(AP)-THE AMERICAN ECONOMIC MISSION IN GREECE WILL INVESTIGATE COMPLAINTS THAT ABOUT $4,500,000 WORTH OF FOODSTUFFS HAS SPOILED IN GREEK GOVERNMENT WAREHOUSES BECAUSE OF FAILURE TO DISTRIBUTE IT, STATE DEPARTMENT OFFICIALS SAID TONIGHT.
THEY SAID REPRESENTATIVES OF DWIGHT GRISWOLD, AMERICAN ADMINISTRATOR, WOULD LOOK INTO THE COMPLAINTS, MADE BY THE PIRAEUS LEAGUE OF MERCHANTS.
VH929PES

WASHINGTON, DEC.15-(AP)-REP. WILLIAM C. COLE (R-MO), AUTHOR OF A BILL TO OUTLAW THE COMMUNIST PARTY, SAID TODAY IT IS CONSTITUTIONAL UNDER A CLAUSE REQUIRING THAT THE FEDERAL GOVERNMENT SHALL PROTECT THE STATES "AGAINST INVASION."
COLE TOLD THE HOUSE THAT SOME WILL CONTEND THE BILL IS UNCONSTITUTIONAL AND "THEY WILL CRY ABOUT CIVIL LIBERTIES, FREE SPEECH AND INVASION OF STATE'S RIGHTS."
BUT, HE DECLARED, THE FOUNDERS OF THE UNITED STATES DID NOT CONTEMPLATE THAT "PURSUIT OF HAPPINESS" WOULD PERMIT ANYONE TO "TAKE AWAY OUR LIBERTY AND DESTROY OUR HAPPINESS THROUGH THE OVERTHROW OF OUR REPUBLICAN FORM OF GOVERNMENT BY SUBVERSIVE MEANS."
VH927PES

NIGHT LEAD STASSEN-SPECULATION
WASHINGTON,DEC.15-(AP)-HAROLD E.STASSEN DECLARED TODAY THAT ANY "INSIDERS" WHO MAY HAVE BEEN SPECULATING IN COMMODITY MARKETS "SHOULD GET OUT OF THE GOVERNMENT," AND MENTIONED EDWIN PAULEY AS A CASE IN POINT.

HE DEMANDED, AT A NEWS CONFERENCE, THAT PRESIDENT TRUMAN PUBLICLY LIST ANY OF THEM ENGAGED IN SUCH TRANSACTIONS.
STASSEN, CANDIDATE FOR THE REPUBLICAN PRESIDENTIAL NOMINATION, SAID:
"THE PEOPLE OF AMERICA SHOULD KNOW IF THE PRESIDENT KNEW ABOUT THIS ACTION, OR WHEN HE LEARNED ABOUT IT AND WHAT HE INTENDS TO DO ABOUT IT."
STASSEN SAID PAULEY, SPECIAL ASSISTANT TO THE SECRETARY OF THE ARMY, CERTAINLY SHOULD RESIGN. PAULEY HAS TOLD THE SENATE APPROPRIATIONS COMMITTEE THAT HE HAD TRADED IN THE COMMODITY MARKETS BUT DENIED HE HAD MADE USE OF ANY INFORMATION OBTAINED AS A GOVERNMENT OFFICIAL.
TONIGHT PAULEY SAID HE WILL NOT RESIGN FROM HIS POSITION UNTIL HIS JOB HAS BEEN FINISHED.
PAULEY ISSUED A STATEMENT THROUGH THE DEPARTMENT OF ARMY:
"I HAVE NOT RESIGNED, NOR HAVE I CHANGED IN ANY WAY MY ORIGINAL PLAN OF SERVING A TEMPORARY PERIOD WITH THE DEPARTMENT OF ARMY AS ANNOUNCED ON SEPTEMBER 3RD AND EXPLICITLY STATED BY ME IN AN INTERVIEW APPEARING IN THE WASHINGTON POST OF SEPTEMBER 16, TO BE FROM THREE TO FOUR MONTHS.
"WHEN I HAVE FINISHED THE JOB, I WILL LEAVE; NOT BEFORE."
STASSEN DECLARED THAT "PAULEY IS NOT THE ONLY ONE."
HE SAID HE BELIEVES A CONGRESSIONAL INVESTIGATION WILL SHOW "A PATTERN OF OPERATIONS" BY INDIVIDUALS WHICH FOLLOWED THE GOVERNMENT'S PROGRAM OF BUYING SCARCE FOOD COMMODITIES.
CHAIRMAN BRIDGES (R-NH) OF THE SENATE APPROPRIATIONS COMMITTEE HELD AN HOUR-LONG CONFERENCE WITH SECRETARY OF AGRICULTURE ANDERSON LATE TODAY AND PROMISED FRESH DEVELOPMENTS IN THE INVESTIGATION OF GRAIN SPECULATION WITHIN THE NEXT 24 HOURS.
EARLIER, STASSEN CONFERRED WITH MEMBERS OF THE COMMITTEE. BRIDGES SAID STASSEN HAD GIVEN THE COMMITTEE SOME INFORMATION AND LEADS WHICH "WERE WORTH DEVELOPING."
BRIDGES SAID THE COMMITTEE WANTS TO LOOK INTO PAULEY'S ACCOUNTS, NOT ONLY SINCE HE HAS BEEN IN THE ARMY DEPARTMENT, BUT ALSO WHILE HE WAS INVESTIGATING REPARATIONS FROM JAPAN WITH THE RANK OF AMBASSADOR.
THE APPROPRIATIONS COMMITTEE HAS ASKED ANDERSON TO SUPPLY IT WITH A LIST OF LARGE TRADERS ON THE COMMODITY EXCHANGE AND PRESUMABLY TODAY'S CONFERENCE DEALT WITH THAT REQUEST.
EG812PES NM

NEW YORK, DEC.15-(AP)-ALEXANDRE S.PANYUSHKIN, NEW SOVIET AMBASSADOR TO THE UNITED STATES, ARRIVED TODAY ON THE CUNARD WHITE STAR LINER MAURETANIA FROM SOUTHAMPTON.
PANYUSHKIN, WHO CAME HERE FROM LONDON WHERE HE SERVED AS AN ADVISER TO SOVIET FOREIGN MINISTER MOLOTOV AT THE BIG FOUR CONFERENCE, SAID WHEN ASKED WHETHER HE HOPED TO PROMOTE BETTER RELATIONS BETWEEN THE SOVIET AND THE UNITED STATES:
"EVERYTHING IS POSSIBLE UNDER THE SUN."

HE SAID THAT REVALUATION OF THE RUBLE AND THE END OF RATIONING, ANNOUNCED YESTERDAY IN MOSCOW, "MUST BE FOR THE GOOD OF THE COUNTRY."

THE NEW AMBASSADOR, WHO REPLACES NIKOLAI V.NOVIKOV, IS 42 YEARS OLD. HE WAS TRAINED AT THE RUSSIAN MILITARY ACADEMY AND WAS A PRE-WAR DIVISION COMMANDER IN THE SOVIET ARMY. HE SERVED AS AMBASSADOR TO CHINA FROM 1939 TO 1944.

PANYUSHKIN SAID HIS WIFE WOULD FOLLOW HIM TO THE UNITED STATES.

HE ADDED HE WOULD SPEND ONE OR TWO DAYS AT THE SOVIET CONSULATE HERE BEFORE GOING TO WASHINGTON.

B149PES

NIGHT LEAD (140)

NEW YORK, DEC 15-(AP)-ALEXANDRE S.PANYUSHKIN, 42-YEAR-OLD PRE-WAR DIVISION COMMANDER IN THE SOVIET ARMY, ARRIVED TODAY IN THE UNITED STATES TO TAKE UP HIS DUTIES AS NEW RUSSIAN AMBASSADOR TO WASHINGTON.

HE SUCCEEDS NIKOLAI V.NOVIKOV, WHO WAS RECALLED TO MOSCOW SEVERAL MONTHS AGO BECAUSE OF OFFICIALLY DESCRIBED REASONS OF HEALTH.

THE NEW ENVOY, WHO WAS TRAINED AT THE RUSSIAN MILITARY ACADEMY AND PREVIOUSLY SERVED AS SOVIET AMBASSADOR TO CHINA FROM 1939 TO 1944, ARRIVED ON THE LINER MAURETANIA FROM SOUTHAMPTON.

HE HAD SERVED AS AN ADVISER TO SOVIET FOREIGN MINISTER V.M.MOLOTOV AT THE BIG FOUR LONDON CONFERENCE, WHICH CAME TO AN END TODAY.

PANYUSHKIN WAS ASKED BY REPORTERS ON HIS ARRIVAL IF HE HOPED TO PROMOTE BETTER RELATIONS BETWEEN RUSSIA AND THE UNITED STATES AND REPLIED THAT "EVERYTHING IS POSSIBLE UNDER THE SUN." HE SAID RUSSIA'S ANNOUNCED CURRENCY REFORM "MUST BE FOR THE GOOD OF THE COUNTRY."

THE NEW ENVOY SAID HE WOULD SPEND SEVERAL DAYS AT THE SOVIET CONSULATE HERE BEFORE GOING ON TO WASHINGTON TO TAKE UP HIS POST, AND ADDED THAT HIS WIFE WOULD FOLLOW HIM TO THE UNITED STATES.

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NEW YORK, DEC 15-(AP)-THE NEW YORK "HERALD TRIBUNE" COMMENTED THAT THE FIRST JAPANESE DIET HELD UNDER THE NEW CONSTITUTION OBEYED GENERAL MACARTHURS COMMAND FOR LEGISLATION TO REORGANIZE COMMERCE AND INDUSTRY ONLY BECAUSE AMERICAN GENERAL HEADQUARTERS INSISTED, AND REMARKED THAT "ECONOMIC REFORM CARRIED OUT ON PAPER IN JAPAN MAY SEEM SATISFACTORY ENOUGH BUT X X X RESULTS IN PRACTICE OFTEN ARE POOR."

JAPANESE OFFICIALS, THE PAPER SAID, "CAN GIVE AN APPEARANCE OF COOPERATION WITH GENERAL MACARTHUR BY ACCEPTING POLITICAL LEGISLATION HE PROPOSES, BUT CAN TRY TO KEEP IT FROM HAVING MEANING BY OPPOSING ECONOMIC LEGISLATION--OR SABOTAGING IT AFTER IT IS ON THE BOOKS. THEY REALIZE CLEARLY THAT POLITICAL REFORM IN JAPAN AMOUNTS TO LITTLE OR NOTHING WITHOUT ECONOMIC REFORM."

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M327AES DEC 15 B

NEW YORK, DEC. 15-(AP)-THE NEW YORK TIMES SAYS IT HAS LEARNED THAT THE AMERICAN RED CROSS HAS SENT A PROTEST TO THE ROMANIAN LEGATION IN WASHINGTON OVER "THE USE IN THIS COUNTRY OF THE RED CROSS NAME AND EMBLEM BY THE ROMANIAN RED CROSS."

"THE PROTEST WAS INTENDED TO 'ACQUAINT' THE LEGATION WITH THE TERMS OF THE FEDERAL ACT OF 1905, WHICH CONSTITUTES THE CHARTER OF THE AMERICAN RED CROSS AND LIMITS THE USE OF ITS NAME AND EMBLEM," THE PAPER SAYS, ADDING:

"IT ALSO REMINDED THE LEGATION OF THE INTERNATIONAL UNDERSTANDING AMONG MEMBERS OF THE LEAGUE OF RED CROSS SOCIETIES THAT ONE RED CROSS SOCIETY WILL NOT GO INTO THE COUNTRY OF ANOTHER WITHOUT THE CONSENT OF THE INDIGENOUS SOCIETY."

THE PAPER SAYS THAT IN A CORRELATED ACTION, THE AMERICAN RED CROSS SENT ITS GENERAL COUNSEL, HERMAN J.HUGHES, FROM WASHINGTON TO NEW YORK TODAY "TO CONVEY THE SAME INFORMATION TO THE BENCOR LIMITED CORPORATION, WHICH SINCE NOV. 13 HAS UNDERTAKEN TO SEND FOOD PACKAGES, CLOTHING AND MEDICAL SUPPLIES TO ROMANIA FOR DISTRIBUTION BY THE ROMANIAN RED CROSS."

IN A CONFERENCE SCHEDULED FOR TOMORROW, THE TIMES SAYS, HUGHES "WILL POINT OUT THAT THE FEDERAL STATUTE CHARTERING THE AMERICAN RED CROSS LIMITS THE USE OF THE RED CROSS NAME AND EMBLEM TO THE SANITARY CORPS OF THE ARMY AND NAVY, AND MAKES IT UNLAWFUL FOR OTHERS TO USE THE NAME OR EMBLEM FOR TRADE OR AS AN ADVERTISEMENT TO INDUCE THE SALE OF ANY ARTICLE OR FOR ANY BUSINESS OR CHARITABLE PURPOSE."

THE TIMES SAYS BENCOR'S POSITION IS "THAT IT IS NOT AN AGENT OF THE ROMANIAN RED CROSS BUT IS MERELY SENDING SHIPMENTS UNDER CONTRACT WITH THAT SOCIETY," AND ADDS:

"A BROCHURE, BEARING THE RED CROSS EMBLEM, LISTS BENCOR, AS THE 'OFFICIAL REPRESENTATIVE FOR THE UNITED STATES AND CANADA' OF THE ROMANIAN RED CROSS AND ANNOUNCES THE OPENING OF A SPECIAL SERVICE THAT COMPRISES 'THE SALE OF FOOD PACKAGES, FIREWOOD AND SHOES, SHIPMENT OF OLD AND NEW CLOTHING, MEDICAL ATTENTION AND SUPPLIES.'"

MQ1222AES

NEW YORK, DEC 15-(AP)-AFTER ANOTHER MISHAP, TADEUSZ S. LATURSKI, 25-YEAR-OLD POLISH MECHANIC, AND CECILIA M. MITORAY OF DETROIT, 24-YEAR-OLD FORMER U.S. ARMY NURSE, FINALLY WERE REUNITED YESTERDAY -- AND THEIR WEDDING IS PLANNED.

A WEEK OF MIXUPS STARTED DEC.7 WHEN LATURSKI, ALMOST BROKE, ARRIVED BY SHIP TO WEFITHE GIRL HE HAD MET AT KRAKOW.

IMMIGRATION AUTHORITIES -- INSTEAD OF THE EXPECTED BRIDE-TO-BE -- MET THE MECHANIC AT THE PIER, AND HE WAS HELD AT ELLIS ISLAND FOR A TIME UNTIL IT WAS DETERMINED THAT A $500 BOND WOULD BE POSTED FOR HIM AND THAT MISS MITORAY WOULD MARRY HIM.

MISS MITORAY HAD GIVEN THE MECHANIC AN AFFIDAVIT THAT SHE COULD, AND WOULD, IF NECESSARY, BE RESPONSIBLE FOR HIS SUPPORT -- A FORMALITY NEEDED FOR HIS ENTRANCE INTO THE UNITED STATES.

IN DETROIT, SHE ARRANGED FOR THE BOND AND WIRED EXPENSE MONEY, AND LATURSKI WAS RELEASED FROM ELLIS ISLAND.

YESTERDAY, MISS MITORAY ARRIVED IN NEW YORK -- AND THEY MISSED EACH OTHER AT THE RAILROAD STATION, BUT LATER WERE REUNITED.

THEY DID NOT REVEAL THEIR WEDDING PLANS.

MK740AES

30.24- 14273

NEW YORK, DEC. 15-(AP)-FRANCIS CARDINAL SPELLMAN, ACCOMPANIED BY ARCHBISHOP ELECT PATRICK A.O'BOYLE OF WASHINGTON, D.C., TODAY INSPECTED MORE THAN 2,500,000 (MILLION) POUNDS OF CANNED FOODS COLLECTED IN THE NATIONWIDE THANKSGIVING FOOD COLLECTION CAMPAIGN OF THE NATIOMA CATHOLIC WELFARE CONFERENCE FOR EUROPEAN RELIEF.

THE FREIGHTER T.J.STEVENSON IS SCHEDULED TO LEAVE TODAY FOR NAPLES, ITALY, WITH 600,000 POUNDS OF FOOD CONTRIBUTED IN THE DRIVE.

THE CARDINAL SAID THAT "WHILE THIS SEEMS LIKE A TREMENDOUS AMOUNT, TO ONE WHO IS CONVERSANT WITH THE NEEDS OF THE HUNGRY AND SUFFERING EVEN THIS IS ONLY A STOP-GAP UNTIL THOSE RESPONSIBLE FOR PEACE ARE ABLE TO GET THE WAR STRICKEN COUNTRIES BACK INTO A POSITION SO THAT THEY CAN SUPPORT THEMSELVES."

LATEST REPORTS FROM PARISHES TO THE NATIONAL CATHOLIC WELFARE CONFERENCE, IN WHOSE WAREHOUSE THE CARDINAL INSPECTED THE FOOD, INDICATE THAT MORE THAN 50,000,000 (MILLION) CANS OF FOOD WILL BE COLLECTED.

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-END-

DEC 15, 1947

U.N.

LAKE SUCCESS, DEC 15-(AP)-TWO FORMAL MEETINGS OF THE SECURITY COUNCIL ARE ON THE UNITED NATIONS CALENDAR THIS WEEK, WITH THE COUNCIL STILL TRYING TO PICK A GOVERNOR FOR THE INTERNATIONAL CITY OF TRIESTE.

THE COUNCIL WILL MEET TOMORROW AFTERNOON AT 3 P.M. E.S.T. TO DECIDE WHETHER AUSTRALIA WILL CONTINUE AS A MEMBER OF THE COUNCIL'S GOOD OFFICES COMMITTEE WHICH IS ATTEMPTING TO FIND A SETTLEMENT FOR THE DUTCH-INDONESIAN CONFLICT.

THE CONSENSUS AMONG THE DELEGATES WAS THAT THE AUSTRALIANS WOULD BE ASKED TO REMAIN AND THAT THE COMMITTEE, MADE UP OF THE UNITED STATES, BELGIUM AND AUSTRALIA, WOULD CONTINUE WORK WITHOUT INTERRUPTION.

THE COUNCIL WILL HOLD A CLOSED MEETING WEDNESDAY AT 3 P.M. E.S.T. TO TALK OVER THE TRIESTE GOVERNORSHIP. THUS FAR THE RUSSIANS AND THE WESTERN POWERS HAVE BEEN UNABLE TO AGREE ON A GOVERNOR.

SEVERAL DELEGATES INDICATED THEY EXPECTED THESE MEETINGS WOULD BE THE LAST OF THE YEAR FOR THE COUNCIL. ON DEC.31 AUSTRALIA, BRAZIL AND POLAND DROP OFF THE COUNCIL. THEY WILL BE REPLACED BY CANADA, ARGENTINA, AND THE SOVIET UKRAINE.

M459AES

Senate Vote Sought Today on New Taft Anti-Inflation Bill

DEC -1947

Senate Banking Unit Approves Inflation Bill

Washington, Dec. 16 (AP)—Senator Taft (R., Ohio) said today he will try to win Senate approval of a three-point Republican anti-inflation bill before adjournment of the special Congress session.

Taft, chairman of the Senate GOP Policy Committee, said he had "dropped the idea of trying to work out an agreement" with House Republican leaders to assure that an attempt will be made to put the measure through the House.

If the Senate acted tomorrow, the bill could hardly be brought up in the House before Saturday. Present plans are to adjourn on Friday.

Banking Committee Meets

House leaders have made clear they see little or no chance any bill can be passed there in view of the defeat yesterday of the measure sponsored by Chairman Wolcott (R., Mich.), of the House Banking Committee.

Taft talked with newsmen shortly after Chairman Tobey (R., N.H.) called a special meeting of the Senate Banking Committee.

Taft will testify on the modified version of the Wolcott bill which he introduced in the Senate yesterday.

Taft said he held a long conference with House Republican Leader Halleck (Ind.) on the possibility of a House agreement for speedy action there if the Senate passes the Taft measure.

"No Definite Agreement"

The Senator said they "reached no definite agreement," but "I have dropped the idea of trying to work out a definite agreement with the House."

Taft added he feels the Senate "should go ahead anyway."

Tobey told reporters he is going to "insist" that the Senate act before adjournment on another anti-inflation bill—a measure to restore consumer credit controls. This has been approved by the Senate Banking Committee and could be called up for debate at any time.

Restoration of these credit controls is one of the sections of Mr. Truman's cost-of-living program.

Barkley Offers 3 Bills

In the Senate, Democratic Leader Barkley (Ky.) introduced three bills designed to implement three other sections of the President's program. They would:

1. Authorize the Agriculture Department to regulate margin (down payment) requirements covering speculative trading in grain and other commodities.

2. Set up a food and grain conservation program.

3. Authorize the Commodity Credit Corporation to promote food production abroad.

Bill Fails Of Two-Third Vote

The Wolcott bill was brought up in the House yesterday under procedure requiring a two-thirds vote to pass it. The vote was 202 for passage and 188 against, or 58 short of the needed margin.

Like the House bill drafted by Wolcott, Taft's measure would authorize voluntary agreements by industry aimed at bringing down prices under temporary suspension of the anti-trust laws; extend export controls, and continue transportation restrictions.

Little Hope Remains

The latter two points are included in Mr. Truman's program, the heart of which is power to restore limited rationing and wage-price controls if necessary. The Republican answer on that has been: nothing doing.

Under the best of conditions—and there was no indication they would prevail—the bill could not come up for Senate action before tomorrow, and the House apparently could not take it up before Saturday. That would mean postponing adjournment, an unl[illegible] event.

Ready To Offer Amendments

Several Senate Democrats and a few Republicans have said they expect to discuss the bill at some length and offer amendments if it reaches the floor. There is no way to limit Senate debate except by two-thirds vote.

The Administration delivered a price and wage control bill to the House and Senate Banking committees yesterday. It would carry out Mr. Truman's ideas, but there is no chance for any action on it now.

Senate Democratic Leader Barkley (Ky.) noted that the bill would give the Republican-controlled Congress a check on any price ceilings that might be imposed, "so that they could knock them out if they wanted to."

Blame For Delay Argued

As for yesterday's action in the House, Republican leaders contended the Democrats had blitzed a good program which would make a start toward checking inflation. Democrats, on the other hand, summed it up in this comment by Representative Spence (Ky.):

"The President has asked for bread and you have given him a stone."

But Halleck said: "The Democrats don't want anything. That's the truth of the business."

ACTION BY HOUSE AT THIS SESSION IS HELD UNLIKELY

Modified G.O.P. Program Is 'Stopgap' Legislation, Taft Says.

DEC -1947

CITES NEED OF ACTION

Bill Asks 'Voluntary Pacts' by Industry to Curb Living Costs.

WASHINGTON, Dec. 16 — (AP) The Senate agreed unanimously today to consider tomorrow a modified anti-inflation bill offered by Senator Taft (R.-Ohio), but chances remained doubtful for full congressional action before the special session winds up this week end.

Taft's bill, like the one which lost out in the House yesterday, provides for "voluntary agreements" by industry to hold down the cost of living.

On the House side, Speaker Martin (R.-Mass.) put two "ifs" in his comment:

Chances Remain Doubtful

"We will do everything possible to put it through the House during the special session if the Senate passes it and if it arrives in the House in time."

A voice vote of the Senate Banking committee approving Taft's measure set up another legislative test of strength similar to that in the House when the G.O.P. high command met defeat in the presentation of the Wolcott bill on a "take it or leave it" basis.

Although the House choose to "leave it," Taft told the committee he believes the Senate "ought to do as much as it can before Christmas" on the less controversial points of the G.O.P. program to curb the cost of living. Taft termed his bill a "stop-gap" measure and said Congress could delve into the other proposals, such as those advanced by President Truman, for checking inflation at the regular session beginning in January.

Mr. Truman asked Congress to grant standby wage-price control and rationing power for use on a limited basis if needed.

"My theory is to give them (the administration) power to handle the situation voluntarily until we can get back here and see how it is working out," Taft said.

Similar to Wolcott Bill

The Taft measure is identical to the house-spurned bill introduced by Rep. Wolcott (R-Mich), chairman of the House Banking Committee, except that it does not contain the section requiring larger gold reserves in federal reserve banks. It calls for voluntary industry-wide agreements to distribute scarce commodities under temporary suspension of anti-trust laws and extension of export controls and authority over transportation.

The Senate Banking Committee wrote in two amendments to the Taft bill. One would restore the president's wartime powers to restrict the use of grain in liquor production. This is now being done by a voluntary agreement of the industry.

The other amendment removes a section that would have permitted voluntary agreements "providing for the marketing of livestock and poultry at weights and grades that represent the most efficient utilization of grain."

Taft revealed his own doubts over the possibility of house action on the bill even if he succeeds in pushing it through the senate tomorrow. Before the committee hearing he told reporters he had "dropped the idea of trying to work out an agreement" with GOP house leaders following a lengthy conference with House Republican Leader Halleck of Indiana.

Chairman Tobey (R-NH) of the Senate Banking Committee said he was going to "insist" that the senate act before adjournment on another anti-inflation bill—to restore consumer credit controls. This has already won his committee's approval. It is one of the points in the Truman administration's program and the Republican senators said in their anti-inflation policy statement Saturday that they would seek to "encourage" curbs on consumer credit.

Although President Truman has now given congress the legislative outlines for major portions of his requested program for standby authority to curb the cost of living by rationing and other controls, all GOP actions pointed to complete disregard by congress at this time.

He has submitted requests for authority to impose selective wage and price ceilings, and priorities and allocations. Today Senate Democratic Leader Barkley, of Kentucky, introduced bills designed to carry out three other sections of the president's program. They would:

1. Authorize the Agriculture Department to regulate margin (down payment) requirements covering speculative trading in grain and other commodities.

2. Set up a food and grain conservation program.

3. Authorize the commodity credit corporation to promote food production abroad.

These, and other requests, appear destined for the pigeon hole.

Democrats to Map Plans

Barkley said Senate Democrats will hold a policy committee meeting tomorrow morning to map strategy. He added that in the meantime "I don't know what we will do."

Meanwhile, an administration cost-of-living bill, called a "limited price recontrol" measure, was introduced in the house today by Rep. Spence (D-Ky).

The legislation would give existing goverment departments authority until March 31, 1950, to impose price controls at wholesale levels on commodities affecting the cost of living. The departments would "give due consideration to" the level of wholesale prices between June 15 and June 30 this year, in setting ceilings.

Retail price ceilings would be set only if competitive forces, operating under wholesale controls, did not bring retail levels down.

A special wage stabilization board would be established to consider wage demands in any instance when increased wages might boost the wholesale price of a commodity considered vital in holding down the cost of living.

The bill did not specifically mention any commodity to be controlled, leaving the discretion to the government departments given responsibility for setting ceilings.

Appropriation Bill Slash Is Voted

DEC -1947

Washington, Dec. 16 (AP)—The House Appropriations Committee today made an $88,000,000 cut in the emergency foreign-aid program and slashed from $490,000,000 to $230,000,000 a fund the Army asked for Government and relief in occupied areas.

It sent to the House floor a bill providing $509,000,000 aid for France, Italy and Austria compared with the $597,000,000 the Administration asked.

Nothing was recommended for China.

Program Approved

Only yesterday, Congress sent to President Truman legislation

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approving a $597,000,000 program of help to the three European countries and China. Mr. Truman had called Congress into special session November 17 and asked $597,000,000 to help France, Italy and Austria get through the winter and resist communism.

The bill sent to the President only gave congressional approval for the idea of aid and set $597,000,000 as the maximum which could be provided.

Separate legislation was required to provide the funds. That is the bill the committee has now recommended.

While the committee recommended no funds for China, it said the $88,000,000 reduction would leave a reserve for use in China in the event an aid program is begun there.

What Was Asked

Here is what Mr. Truman asked for the European countries and what the committee recommended:

	Asked	*Recommended*
France	$328,000,000	$262,000,000
Italy	211,000,000	189,000,000
Austria	58,000,000	58,000,000

Technically, the committee did not stipulate how the $509,000,000 of emergency aid should be distributed, but based its cuts on the figures above.

The committee said $66,000,000 of the amount asked for France was for items not directly related to emergency relief, and so was $22,000,000 of the Italian request. These items included such things as $26,000,000 for servicing of the French foreign debt.

The foreign-aid money is in a general appropriation bill which also provides funds for various other Government uses.

31 P.C. Below

The total in the measure is $772,726,000. The amount is 31 per cent below what the Administration asked, $222,000 is for mileage allowance for Congress members, the same as last year.

The largest reduction was in the fund for army government and relief in occupied areas, amounting to 53 per cent.

The committee cut $137,000,000 from the Army's request for $237,000,000 for food and relief in the British occupied zone of Germany and trimmed $123,000,000 from food and relief estimates for United States occupied areas in Germany, Japan and Korea.

In cutting the Army's requested funds for administration and relief in occupied areas, the committee said $237,000,000 of the original estimate represented the cost to the United States of feeding people in the British zone.

Urges Definite Plan

It urged that there be "a clear and definite agreement between the two governments concerned (United States and Britain), setting forth in plain terms the obligations and responsibilities assumed by each government so that the Congress, when making appropriations, can know exactly the program it is providing for."

The money provided, it said, will be adequate "until a proper agreement can be entered into."

The committee said it has information that administrative costs in the British zone of Germany are "excessive" and should be reduced to leave more money for actual relief.

Lovett Testimony

The committee said "there are too many varieties, such as harvests, etc., to justify it in recommending the appropriation requested" for American-occupied zones. The amount provided, it said, will be adequate until at least next June 30.

The committee gave the House with its bill a report on testimony it took in secret from Robert A. Lovett, Under Secretary of State.

The report disclosed that Lovett told the committee this about the emergency foreign aid:

"You will not get any of this back, in my opinion. I think you might just as well face up to that."

Lovett told it, too, that the aid program was no guarantee of European recovery but "the very hard, ugly choice between two risks."

"The first risk," Lovett told the committee, "is the risk that if we undertake the long-term program it may not work out."

Against that risk, he said, "we have to weigh, from the standpoint of national security and our economic welfare, the incalculable risk of what happens if we do not take this step of an attempt at recovery."

Iron Curtain Threat

"At some point," Lovett said, "that incalculable risk becomes an absolute certainty that those countries slide over under the iron curtain, and the iron curtain then rolls 1,500 miles from the Oder River on to the Atlantic seaboard."

The committee said it was "wholly" unsatisfied as to the reliability of the statistics" presented by the Administration in support of the interim-aid program and has "misgivings as to whether the plans are well thought out and are practicable in their approach to the problems to be met."

It said "the cornerstone of economic recovery in Europe is a stable monetary system and unless and until stable recognized currency is in circulation in the various countries of Europe efforts toward economic recovery will be fruitless."

Senate Gets It Next

After the House votes on the appropriation bill, the Senate Appropriations Committee will get a chance to change it, and may put in funds for China.

Chairman Taber (R., N.Y.) of the Appropriations Committee declared that the people of the United States "will not put up with Administration sleight-of-hand when it comes to relief money."

"The American people think they are being taxed to provide relief to foreign victims of war," he said. "It makes no sense for the United States to give France and Italy $88,000,000 so that they can pay their debts to other nations.

Sacrifice For All

"This world co-operation and sacrifice should not begin and end with the United States. We most definitely will not accept the Administration's attempt to charge up French and Italian foreign services, and entertainment connected therewith, to the relief of needy people."

These items were cut from the Administration's request for France, Taber said:

Payment of interest on foreign debt, $26,000,000; payment to Belgium on commercial account, $17,000,000; payment to Brazil on commercial account, $3,000,000; additional contribution to international monetary fund, $10,000,000, and administrative and other expenses, $10,000,000.

Italy Deductions

These are the deductions from requests for Italy:

Payment to the United States for settling war claims, $5,000,000; partial payment of Export-Import Bank 1946 cotton loan, $7,000,000; interest on United States surplus property credit, $4,000,000; diplomatic expenditures and prewar bond settlements, $6,000,000.

Taber said that "in substance" the United States is asked to provide money for relief supplies so France and Italy could "use their own funds to meet these debts."

WESTERN POWERS SPEED PLANS FOR GERMAN MERGER

Big 3 Ministers May Meet in Washington on January 15.

TALKS UNDER WAY

German Political Leaders See New State with Frankfurt Capital.

LONDON, Wednesday, Dec. 17—(AP) Proposals for an early meeting of the American, British and French foreign ministers to discuss their future policies in Germany gained support today, French sources reported.

This word coincided with a meeting between French Foreign Minister Georges Bidault and U. S. Secretary of State George C. Marshall at a dinner last night given at the French embassy by Bidault for top-ranking members of the American delegation.

Start Merger Talks

Informants said Bidault and Marshall began informal "exploratory" talks on merging western Germany into a single zone of occupation.

It was understood that a meeting of the American, British and French ministers had been tentatively suggested for next Jan. 15 in Washington. Bidault was reported anxious to consult his government before giving any definite answer.

In Germany yesterday political activity reached new heights as German political leaders discussed creation of a western German state with a new capital in Frankfurt.

Foreign Minister Molotov flew toward Moscow to deliver a report to Premier Stalin and the powerful politburo—a report which was expected to result in quick action in the Soviet campaign against the unification of western Germany and the Marshall Plan.

These were among the first developments that followed complete breakup of consultations in the council of foreign ministers over the fate of Germany and Austria.

Two and a half years of inconclusive and acrimonious big four attempts to work out a settlement for Europe appeared to be ended. There were no signs of efforts toward resumption. Many believed the east and west had embarked on an economic and political conflict and were making all haste to get their policies into action.

Secretary Marshall, who usually returns immediately to Washington after any international conference, tarried in London.

U. S. Position Given

After talking all day with his advisers he met with Bidault.

It was understood the American secretary of state laid before Bidault for study a general outline of the United States position on such a merger.

The informants said the outline includes a proposal for French participation in the Ruhr on a basis of a majority voice having the controlling decision. These sources said the United States would refuse any Ruhr proposal which would give France any "veto" power to block action.

The other main French demand that a separate regime be established for the Rhineland was expected to be bypassed for the present. The United States position was said to be that as long as military government is in Germany—which is for the foreseeable future—no special regime is necessary and the question can be postponed for a future date.

Agree On Saar

Both the United States and Britain have already agreed to incorporation of the Saar into the French economy. Prior to the talk with Marshall, Bidault told newsmen: "There can be a profitable merger and there can be mergers which are unprofitable. We will accept the first, but not the second."

There appear to be few blocks in the way of quick agreement to merge the zones. The French zone with 6,000,000 Germans is a deficit area and a financial burden for France. The zone's manufacturing potential is small and it cannot support itself agriculturally. From the American and British viewpoint the only major advantage of the merger is political unity in the west.

German Leaders Confer

It was this political feature that occupied western German political leaders last night. They held a secret conference in Frankfurt with a view to agreeing on a tentative constitution for western Germany and expressing their views to the American and British zone commanders at a special conference this weekend.

For the first time since the war politics emerged as a major factor in Germany with the social democratic party in a statement from Hamburg decrying formation of any "federalized" western state.

If the Social Democrats, who control between one third and one half the votes of western Germany, abstain from creating such a western government they could sabotage any sort of a political setup devised by the three western powers. It was expected, however, that compromise would be reached and any government would be a coalition affair.

That this political activity in the west will be matched in the Soviet-controlled eastern zone appeared a foregone conclusion.

Just what form this will take awaits Molotov's conferences in Moscow. Many western observers expect the Russians to set up a German "central government" in eastern Germany and call for a plebiscite for German unity.

The ensuing political and economic battle for Germany will be the center of the struggle, embracing all Europe, between the Marshall Plan and the so-called "Molotov plan."

Whether this will bring a collapse of the four-power allied control council in Berlin remains to be seen.

London, Dec. 16 (A. P.).—The United States, Britain and France worked today on tentative plans for the economic consolidation of western Germany, whose industrial potential may be a major factor in the European recovery program.

Diplomatic sources said that the failure of the Conference of Foreign Ministers would intensify efforts to expedite the reconstruction of western Germany. Eastern Germany is occupied by Russia.

Merger Acceptable

Exploratory conversations will begin tonight at a dinner given by French Foreign Minister Georges Bidault, who said he would accept a merger of the three zones of western Germany provided it was profitable to France. Bidault said he made the dinner engagement with Secretary of State Marshall a week ago.

The informants said Marshall set his staff of German advisers to work early today drafting proposals which he might tentatively advance to Bidault for the merger of the French zone with the British and American zones, now that the four-power organization of all Germany has been ruled out, for the immediate future, at least, by the breakdown of the Big Four talks

here.

"Only One Aspect"

Bidault held a news conference in which he said there "will be conversations to see where we stand" on western Germany in the near future.

"This is only one aspect of the entire German question," Bidault said, "but we (the three western powers) must find some way of getting along."

The United States delegation held a special meeting to discuss problems arising from the collapse of the Big Four conference. Soviet Foreign Minister Molotov and his aides departed for home.

Deputies To Meet

Deputies of the four forcign ministers scheduled a meeting for tomorrow to begin what may be their last joint effort to write a treaty for Austrian peace and independence, official United States informants said.

Bidault said he expected to see British Foreign Secretary Ernest Bevin before leaving for Paris Wednesday night. Talks between Bevin and Marshall also are due.

Some American diplomats said they thought it possible that Marshal, Bevin and Bidault may plan a three-power meeting here, although to date there is nothing official on the subject.

Exploratory Talks

Marshall planned to spend most of the day with advisers and planners working out the lines of proposals to France. Persons helping in the arrangements said tonight's conversations with Bidault would be "exploratory" and that no immediate decision could be expected.

This naturally would follow from the fact that any decisions on the merger of the French zone with the already merged zones of the United States and Great Britain will have to be worked out on a three-power basis.

Parliament Report

Marshall will fly to Washington Thursday afternoon. He probably will follow the usual pattern of making a radio address soon after arrival. Aides said he probably would not have a news conference here, preferring to reserve his comments on the London failure and its repercussions until he reaches Washington.

Molotov presumably was anxious to report fully to Premier Stalin and the *Politburo*.

Molotov's parting statement to the Council was a jab at Marshall, who had pointed out that the three Western powers could agree, but that the Soviet Union would not.

"It should not be forgotten that it is impossible to talk to the Soviet Government in the same manner as you talk to the present Greek Government," Molotov said.

Bevin is expected to report to Parliament at the earliest opportunity. Britons said he is expected to tell the British Cabinet tomorrow of the factors leading to the conference breakdown.

Conversations "Soon"

Bidault said there "would be conversations" soon with the United States and Great Britain over possible fusion of the French zone with the United States-British zone. He said he would see Bevin before returning to Paris "as a matter of courtesy."

Bidault said the French Government "had not yet considered" the possibility of a merger.

"There can be a profitable merger and there can be mergers which are unprofitable," he said. "We will accept the first but not the second."

Written Guarantee

Bidault said his Government had not studied the possibility of a three-power treaty against German rearmament to replace former United States Secretary of State James F. Byrnes's suggestion of a four-power accord. Bidault termed the prospect of a written United States guarantee a "very important and a very precious foundation for French security."

The American talks were believed concerned largely with United States policy in Germany. Marshall was reported agreeable to setting up some form of unified government in western Germany but was said to be opposed to signing a separate peace treaty with such a government.

Molotov Leaves First

Attending the conference with Marshall were Gen. Lucius D. Clay, United States military governor in Germany; Robert Murphy, political adviser to Clay, and other experts on German affairs.

Molotov, first of the Foreign Ministers to leave London, departed barely twelve hours after the collapse of the Big Four sessions, which ended yesterday without any agreement in respect to Germany.

The Soviet Minister was accompanied by three plane loads of aides and advisers—including Deputy Foreign Minister Andrei Y. Vishinski and Marshall Vassily Sokolovsky, chief of the Russian occupation forces in Germany.

Takeoff of the planes was delayed for three quarters of an hour awaiting Molotov's arrival at the airport. Members of the Soviet delegation passed the time talking and joking with Lord Pakenham, Minister to the British zone of Germany, who was on hand to bid them good-by.

Future Developments

Developments which authoritative informants believe lie directly ahead include:

1. The three-power talks on the economic merger of the zones of Western Germany.

2. Three-power consideration of some kind of western security pact which may take the form of revision of the old American proposal for a four-power, 40-year treaty to guarantee German demilitarization. This would be intended as a reassurance to the French.

3. Development among the western powers of plans for creation of a governing authority for Western Germany along Federal, decentralized lines.

4. Steps by Russia to counterbalance the moves of the western powers with development of a local governing authority in Eastern Germany. Western diplomats believe the Soviet zone may be fitted into the economic and political system being evolved throughout eastern Europe and generally known as the Molotov plan.

Marshall's Republican adviser, John Foster Dulles, who recently conferred with French leaders, including Premier Robert Schuman and Gen. Charles de Gaulle, said last night that he felt certain agreement can be reached on a combination of the three (Western) zones."

Red Propaganda 'Victory' Cited

By J. W. Gallagher

London, Dec. 16 (AP)—In a newspaper man's view, the United States and Great Britain suffered a propaganda defeat if not a diplomatic one during the abortive London Conference of Foreign Ministers.

Except for the last day, the dominant voice of the seventeen sessions was that of Russian Foreign Minister V. M. Molotov, reiterating the theme that the Soviet Union was Germany's only friend.

Day after day he took the initiative in maneuvering the discussion around—no matter what the subject—to his favorite topic: The Soviet Union's desire for a strong, central, liberal democratic government for Germany.

A Sounding Board

Before the conference started the British and American delegations expressed the belief Molotov would use the conference largely, if not solely, as a sounding board to the German people. They said they would stop him or cut him off.

But Molotov did what they feared he would for sixteen days. All attempts to stop him failed.

He was repeatedly charged by British Foreign Secretary Ernest Bevin and United States Secretary of State Marshall with speaking not to his fellow Ministers but to the German people. There was no sign that he even heard these accusations.

Charges Repeated

Da yafter day he repeated the same charges against the West: That they were profiteering on German misery, that they were holding back Germany's industry, that they were partitioning Germany, and dozens of other similar charges which have been made in the Soviet press and radio for months.

Day after day Bevin and Marshall denied the accusations, but this did not stop the Russian. He repeated them as though they were new each time and no answer had ever been made.

It was high level application of an old propaganda axiom: That if you say something often enough not only your listeners will believe it but you probably will soon believe it yourself.

Doubts Evident

Parts of these charges began to stick, even here in London where they were old hat. For example, this correspondent was asked four times in one day by newspaper men who had not been in Germany whether, after all, wasn't it possible some one in the western zones was making illegal profits on coal and timber.

The cumulative effect of these charges would certainly make itself felt in Germany and on the Continent.

The American and British position in this propaganda camgaign was that to answer with countercharges, or specifically at length, would only prolong the conference and lead it nowhere.

Marshall Blew Up Talks, Reds Say

London, Dec. 16 (AP)—Newspapers in the Russian sphere generally blamed the Western powers today for the breakdown of the Big Four conference, while most of those in western Europe turned accusing voices against Moscow.

German newspapers were gloomy. The Russian-licensed *Taegliche Rundschau* in Berlin charged: "Marshell blew up the conference."

Most British editorials accused the Russians of forcing the conference into a deadlock.

"At Least Clear Now"

The London *Daily Worker* and *L'Humanite*, of Paris, both Communist, streamered: "Marshall breaks up Big Four."

In Czechoslovakia, on the Red fringe of Europe, the first assessment was that the breakdown was serious but not necessarily tragic. The Social Democratic *Pravo Lidu*, of Prague, said "the forces of peace and co-operation must win out."

New Curbs Alleged

The Swedish newspaper *Stockholms-Tidningen* commented that "the partition of our continent now seems to be a fact for an indefinite time. . . . It is difficult to know if the failure in London should be described as a hopeless disaster or with a feeling of relief. At least the situation is clear now."

Meanwhile, western-oriented political parties in Germany charged the Russians and German Communists with clamping down new restrictions on political liberties in Berlin and the Soviet occupation zone.

The Social Democratic party said it hoped the conference failure would not mean the end of hopes for a unified Germany.

Western-controlled newspapers in Germany declared Soviet Foreign Minister V. M. Molotov's attack on the United States, Britain and France had shattered chances of success in the conference.

In Brussels, Belgium, the Socialist newspaper *Le Peuple* commented that yesterday was "a hard day for peace."

London papers printed the news under bold headlines and debated the issues with feelings which appeared to be almost as varied as the differences between Russia and the Western powers.

Refers To Iron Curtain

The conservative *Daily Mail*, under the heading "Dead, Done and Damned," declared that "the breakdown will be followed by increased international suspicions and tensions, and it is hard to see how the United Nations can survive as a universal body."

"One can almost hear the clanging as thicker plates are riveted to the iron curtain," the *Mail* added.

The equally conservative *Daily Graphic* proclaimed that the "adjournment was wise" and expressed the view that "the door has not yet been finally slammed" on a Big Four agreement.

Lord Beaverbrook's *Daily Express* termed the breakdown a "crushing disappointment" and "a defeat for British policy," while the liberal *News Chronicle* said there was "no need to take a pessimistic view."

Canterbury's 'Red Dean' Answers His Archbishop

Dr. Johnson Asserts He Has 'Right' And 'Responsibility' To Express Socialist Views

London, Dec. 16 (AP)—Dr. Hewlett Johnson, widely known as the "Red Dean" of Canterbury, replied to criticism by his Archbishop tonight by saying that he had the "right" and "responsibility" as a Christian spokesman to express his Socialist views.

Earlier, Dr. Geoffrey Fisher, the Archbishop of Canterbury, rebuked Dr. Johnson in a public statement, saying:

"It is unfortunately the case that recent actions of the Dean of Canterbury have given rise to widespread misunderstandings and misconceptions, both on the Continent and in the United States, liable to affect the relations of the Church of England with foreign churches or countries."

Doesn't Speak For Church

He added that he had "neither the responsibility for what the dean may say or do nor the power to control it."

In his reply, the 73-year-old dean, acknowledging that he did not speak "for the official Church of England," said he was appointed in 1931 by Socialist Prime Minister Ramsay MacDonald "precisely because I had long urged that socialism was, in my view, not only scientific but the logical consequence in our age of Christian morality."

"I thus naturally became a Christian spokesman within the Anglican Church for the great mass of English opinion in the mines, factories

DEC - 1947
30.24-14277
DEC - 1947

and fields which had elected as Socialist Prime Minister the man who appointed me Dean of Canterbury," Dr. Johnson said.

My Responsibility

"That Christian spokesmanship placed at this heart of English-speaking Christendom was the Socialist Prime Minister's deliberate intention. That was also my desire. That is my right. That is my responsibility.

"And I am justified, in the discharge of that responsibility, to use all the weight that the honored name of Canterbury lends."

The dean, author of laudatory books on Russia and a member of the editorial board of the London *Daily Worker*, continued:

"Thus, while I agree that my narrower ecclesiastical jurisdiction is confined to the Cathedral, I intend jealously to maintain my right to voice with such weight as my office affords this point of view of that great mass of Christian persons and others who, through their elected representatives, gave this office and charged me with this responsibility.

Position Would Be Different

"The rights of the common man relative to a national church are sometimes overlooked. Were the Church of England disestablished (separated from the state) the position would be wholly different."

Dr. Fisher's public condemnation marked the second time in ten years the Primate of All England has attacked Dr. Johnson publicly. Cosmo Gordon Lang, former archbishop, told the church assembly in 1937 he had "no responsibility for some recent action and opinions" of the "Red Dean," who at that time had denounced Generalissimo Franco and the German bombing of Guernica during the Spanish Civil War.

both on the Continent and in the United States."

The public condemnation by Dr. Geoffrey Fisher, the Archbishop of Canterbury, marked the second time in ten years that the primate of all England has attacked the "Red Dean" publicly.

"No Responsibility"

Cosmo Gordon Lang, former Archbishop, told the Church Assembly in 1937 that he had "no responsibility for some recent actions and opinions" of the Dean. At that time, Dr. Johnson had just denounced Franco and the German bombing of Guernica during the Spanish Civil War.

Dr. Fisher's statement said the Dean's "recent utterances" were "liable to affect the relations of the Church of England with foreign churches or countries."

The Archbishop said he had "neither responsibility for what the Dean may say or do nor the power to control it."

Dr. Johnson, 73, recently toured eastern Europe. On his return he said he had found "an intense desire for peace" and anxiety that America is planning for war. He said Czechoslovakia has preserved "the great freedoms of the West" and is actively furthering "the freedoms now coming from the East—freedom to work and to reap the reward of work with a full cultural life."

England's 'Red' Dean Rebuked

London, Dec. 16 (AP)—Dr. Hewlett Johnson, the "Red Dean" of Canterbury, was rebuked today by his Archbishop, who held that Dr. Johnson's Leftist political opinions "have given rise to widespread misunderstanding and misconceptions

DEC -1947

BRITONS LAUNCH 'SUCCESS' DRIVE

By RUSSELL LANDSTROM

LONDON, Dec. 16—(AP) Britons, recoiling from austerity, are spreading a new slogan, "Start Talking Success," inspired by a newspaper and hailed by wage-earner and boss, housewife and politician.

With that jaunty catchphrase, reversing the depressingly stark and familiar "We Work or We Want," the London News-Chronicle touched off the first major postwar campaign to raise both spirits and production, frankly appealing for fun as well as making things hum.

"Cheerful Confidence"

What the country needs, the newspaper headlined, is a national succes campaign with production weeks and production days "in a big way and a cheerful way with flags flying and music playing."

"Let us not be ashamed to make a song and dance," it declared. "Let us create in the people a mood of cheerful confidence and the conviction that their personal contribution to the production drive is indispensable to national recovery."

Mindful that the country's exemplar of austerity himself recently called on the people to be more cheerful notwithstanding hard times, the News-Chronicle went straight to the top—to Sir Stafford Cripps, headman of British production, for backing of its drive.

Sir Stafford, readers were told, topped a long list of men and women well known for their efforts on behalf of British industry who applauded the speed production and spike gloom campaign.

Idea Catches On

Farmers were reported in favor of it, finding the slogan apt and sensible without "blinding our eyes to the realities."

A leading BBC commentator sped the drive, asserting "I am with you 100 per cent. We must raise morale sky high and we must not forget any section of the community." Certainly not the housewives, he emphasized, who "in many ways are doing the biggest job of all."

The Lancashire cotton industry and the Yorkshire woolen industry, two of the country's most important ones, chimed in with promise of support and the offer to send representative employes to a "talk success" Christmas ball in London's huge Royal Albert Hall.

News-Chronicle editors said the big push could not be more timely, what with the Christmastide glow and the lift which people still feel from the wedding of Princess Elizabeth and Prince Philip.

Russ "Quit" Bulgaria

London, Dec. 16 (AP)—The Moscow radio broadcast today a Tass dispatch from Sofia reporting that the last Russian occupation forces departed from Bulgaria yesterday in compliance with the terms of the Bulgarian peace treaty.

Big Four Permit Italy To Salvage 31 Subs

Rome, Dec. 16 (AP)—The Big Four powers have granted Italy permismission to salvage scrap and machinery from 31 submarines which had been slated for destruction at midnight under the terms of the Italian peace treaty, a Foreign Ministry communiqué said today.

In addition representatives of the United States, Britain, France and Italy signed in London a protocol permitting Italy to receive 8,386 pounds of gold ($3,522,120 at the price of $35 an ounce) as a share of the gold hoard looted by Germany during the war.

The Foreign Ministry communiqué said the machinery and scrap metal from the submarines would be used for Italian industries, and that the salvage operations would provide winter work for the unemployed.

Russia Last To Approve

Soviet consent to salvaging the submarines was received today, and contained the statement that the action could not be interpreted as agreement on revision of the Italian peace treaty. Britain, the United States and France had given prior consent.

Under terms of the treaty the Italian Navy was limited to two outdated battleships, four cruisers, four destroyers and other minor units.

The decision to give Italy a share of the Nazi gold carried out a decision of the Paris peace conference. The 8,386 pounds of gold was set aside as Italy's share in the preliminary distribution, with more to come later.

Britain, the United States and France agreed that Italy should receive a proportionate share of the gold on an equal basis with other countries signing the reparations agreement, provided that 50,692 pounds of gold ($21,290,640) be set aside from its share to be paid to France and Yugoslavia under the peace treaty.

U.S. Bond Trading Set

The United States Securities and Exchange Commission announced in Philadelphia that trading in Italian securities will be permitted in the United States on or about December 22, ending a seven-year war-created ban. The Italian Government and two of its agencies registered $131,971,700 of new bonds with the commission.

De Gasperi said he had reshuffled the Cabinet to "guarantee democracy to the country."

Reds Assail Premier.

Rome, Dec. 16 (A. P.).—Communists opened their attack today on Premier Alcide de Gasperi's broadened Italian Government, charging that the Christian Democratic Premier took his orders directly from the United States. Meanwhile, the new Government began its consideration of a date for new national elections, probably next April.

Communists in the Constituent Assembly interrupted with jeers as the Premier began explaining that he had brought the Labor Socialists (anti-Communists) and Republicans into the Cabinet to "guarantee democracy to the country."

"Don't you speak English?" one Communist deputy shouted. "You are sold to Moscow!" came a retort from the Christian Democratic benches.

The Premier, promising peace and independence for Italy, said that his reshuffled Cabinet was an emergency one whose chief task will be to arrange national elections no later than mid-April, and perhaps before that. He added that "each party in the Government is free to take its own program to the voters."

Palmiro Togliatti, Communist party chief, declared that the Premier had bypassed parliamentary procedure in reshaping the Government without resigning his mandate to President Enrico de Nicola first. Togliatti said that the Assembly should have had the opportunity to discuss the new Government. It was agreed that a debate, which is to be brief, would begin tomorrow morning.

Three Christian Democrats have surrendered portfolios to make way for Labor Socialist and Republican Ministers whose participation assured de Gasperi an Assembly majority against Communist-led Leftist assaults. The modified Government is, in the Premier's words, "a union of force in the interest of liberty for the people and the democratic regime."

Called Chief Job

Randolfo Pacciardi, Republican leader who becomes a Vice Premier and heads a committee for the defense of republican and democratic institutions, declared that the Government's chief job is the elections.

The Government's new Minister of Industry and Commerce, Roberto Tremelloni, Labor Socialist and an industrial employment expert from Milan, said his aim would be to minimize Italy's difficulties so "that the country can work as it wishes and needs."

Reds Assailed

The Labor Socialist party, which was formed early this year after breaking with the pro-Communist Socialists and whose leader, Giuseppe Saragat, becomes a Vice Premier in the new Government, accused both Communists and their allied Socialists of failure to support "the interests of the poorest part of the Italian people."

In the face of "uninterrupted errors of the Communist party and its ally," the statement said, the Labor Socialists had decided to join de Gasperi's Government.

DEC -1947

Sicily City Full Strike Is Voted

Rome, Dec. 16 (AP)—The provincial Chamber of Labor at Catania, Sicily, declared a general strike effective at midnight tonight in a demand for unemployment relief.

The strike appeared to be modeled after the general strike in Rome last week which was called off after two days with Communists and the Government disputing as to who had won.

The four Christian Democrats in the Catania chamber voted against the strike which called out all workers except those in "essential services" such as bakers, hospital employés, railroad workers, public utilities personnel, communications workers and dockers unloading food ships. There were indications Government employés would not obey the call. Catania is a city of 244,000.

Two Strikes In Genoa

Employés of the Genoa Chamber of Commerce, and some employés of the Stock Exchange and Commodities Exchange also struck for 36 hours in protest against a Ministry of Industry's appointment of an official.

Premier Alcide de Gasperi went before the Constituent Assembly today to speak in behalf of his new Cabinet which now includes Moderate Labor Socialists, Republicans and independents as well as his own Christian Democrats.

He was interrupted by a Communist cry, "the voice of America speaks" — the introduction of United States State Department broadcasts to Italy.

Christian Democrat deputies replied, "You are sold to Moscow."

General Strike Set For Sicily Port

Catania, Sicily, Dec. 16 (AP)—Catania's labor unions have voted a general strike in this Sicilian city and its province, effective at midnight tonight.

The Council of Unions, labor's governing body for the province, decided by a vote of 57 to 4 last

DEC -1947

DEC -1947 30.24-14279

night to call out all workers except those engaged in essential services to protest what the unions say are inadequate steps to relieve unemployment.

This pattern was the same as the one employed by the labor leaders of Rome and Rome's province in last week's two-day general strike. As in Rome, Christian Democratic party representatives on the council voted against the strike.

The council voted to call out all workers except bakers, hospital employés, utilities personnel, communications workers needed for maintenance, and railway men. Dockworkers unloading grain ships also will stay on the job.

There are indications that public servants may refuse to join the strike.

The Chamber of Labor has demanded that the municipal and provincial governments include immediate work for agricultural laborers seasonally unemployed, with relief measures for other jobless.

Austria Is Disappointed.

Vienna, Dec. 16 (A. P.).—Chancellor Leopold Figl told the Austrian Cabinet today that there still was a slight hope that the Deputy Foreign Ministers would be able to find a satisfactory solution to the question of German assets in Austria. Figl, addressing a special meeting of the Cabinet, expressed disappointment that the Conference of Foreign Ministers in London had ended without an agreement on an Austrian independence treaty and declared that Austria would "continue to fight for her rights."

Civilian morale in Austria neared a new low as people speculated on what would be the next international step affecting their country.

Troops Play Santa

Vienna, Dec. 16 (AP)—American troops in Austria delivered Christmas presents to 2,631 Austrian children in 22 Viennese hospitals and orphanages today. In addition to soap and toothbrushes, the gifts included food.

Germans Agree on West Reich

RICHARD O'REGAN

Anti-Communist Political Leaders Map Interim Government.

Frankfurt, Dec. 16 (A. P.).—German political leaders of the United States and British zones agreed tonight on a basic plan for the creation of a western Germany which they hope will attract 17,000,000 of their countrymen in the Russia area away from Communists.

Meeting secretly without the Communists, the politicians appraised the breakup of the London Council of Foreign Ministers and mapped a detailed campaign to combat Russian propaganda and influence in Germany. The rough plan calls for a democratically elected government, dedicated to "Western ideas and principles of freedom," a western Germany that always will leave a door open to the East, provided the East and the Germans there agree that liberty is paramount.

Reds Also Active.

These broad concepts of an economically healthy and politically sound western Germany probably will be presented on Saturday to Gens. Lucius D. Clay and Sir Brian Robertson, the military governors.

Meanwhile, western Germany's Communists announced in Frankfurt that they would not rest until a "healthy, democratic order has been established" throughout Germany.

Leaders of the political parties of western Germany, with the exception of the Communists, discussed the breakup of the London Conference of Foreign Ministers at a meeting which continued late into the day. They issued a communiqué "officially recognizing an invitation of the bipartite control office" to a meeting with Generals Lucius D. Clay and Sir Brian Robertson, American and British military governors.

The Germans said the invitation had been extended to Dr. Erich Koehler, chairman of the Bizonal Economics Council, his aides, and eight ministers-presidents of states in the two zones.

At this meeting the Allied commanders are expected to tell the Germans just how far they can go in organizing western Germany on a political basis.

American observers, meanwhile, are predicting that the western region would start to take shape as an integrate state, union or confederation almost immediately as a result of the breakdown of the London conference.

Political Leeway Expected

It is felt that Anglo-American authorities would permit the Germans to create a political organization in the west, whereas heretofore the information of a central political group in the economically merged zones, which have a combined population of about 40,000,000, has been strictly forbidden.

If France is agreeable, it is believed that the French occupation zone, with its 6,000,000 inhabitants, could easily be fitted into the picture. However, the French zone apparently could offer few material advantages to the present bi-zonia. It could neither provide food to help alleviate the shortage nor offer much industrial potential.

Trying To Solve Differences

A tri-zonia would represent political solidarity among the western Allies, and the present French zone would serve as a link rather than an island between the present bi-zonia and France and Switzerland.

Leaders of the Right-wing Christian Democrats and the Left-wing Socialists are reported attempting to iron out major differences to present a united stand on western Germany's future.

"In the face of the results of the London conference," said one prominent member of the Christian Democratic party, "we must now go ahead. We can do nothing else. Western Germany's economic crisis—her future as a vital part of western Europe—demands that we unite western Germany."

German quarters predict that the ministers-president of the eight states in the British-American area will propose a plan for creation of a unified "western Germany" with a limtied central government preserving state rights.

May Seek "Peace Statute"

German leaders, it is understood, will press strongly for some sort of "peace statute" as a corollary to establishment of a unified western Germany. Without such a document, they believe, it would be impossible to reconstruct western Germany or to stimulate any faith among the German people "in democracy or government."

This view was emphasized recently by Dr. Erich Koehler, chairman of the Bizonal Economic Council, who said in an interview:

"It is a political necessity that the capitulation statute be replaced by a provisional peace statute."

POLITICIANS PLAN ZONE GOVERNMENT

Frankfurt, Germany, Dec. 16 (AP). The principal political leaders of the British and American zones took stock of the breakup of the Foreign Ministers' Conference today and agreed on the basic plan for the creation of a western Germany.

Meeting behind closed doors, without the Communists, the leaders of the Christian Social Union, Social Democrat, Liberal Democrat and Centrum parties announced the leaders of the two zones had accepted an invitation to a conference with the British and American zonal commanders, probably Saturday.

Out of this conference with Gen. Lucius D. Clay and Gen. Sir Brian Robertson, American and British military governors, may emerge a political organization for the two zones to which the French zone may adhere later. At any rate, the Germans expect to learn just how far they may go.

Economic Chief Invited

Invited to the conference are Dr. Erich Koehler, chairman of the bizonal economics council, his aides and the eight minister presidents of the two zones.

The German leaders said they had mapped a detailed campaign designed to combat Soviet propaganda and influence in Germany and attract 17,000,000 Germans in the Russian zone away from communism.

Their plans, they said, call for a democratically elected government dedicated to "western ideas and principles of freedom," which would always leave its doors open to the East provided the Germans there agree that liberty is paramount.

To Avoid Creating State

They said they had agreed to tell Generals Clay and Robertson:

1. They wish to avoid any suggestion they are creating a "western German state" and that Germany is forever divided between East and West.

2. Nevertheless, they recognize that the London conference failed, that Germany remains not unified, and 50,000,000 people in the western zones must be in a position to live and work.

3. A sound economy must be established. This can be achieved only by reorganization of the present bi-zonal economic council, which originally was conceived as an "economic parliament."

4. A "provisional parliament" is necessary.

Propose State Veto Powers

One spokesman said it was generally agreed that the proposed parliament should consist of two houses, one representing the voters, the other the states, and that the states should have as yet undefined powers of veto over legislation.

Members of the committee said they probably would ask Clay and Robertson for permission to create three ministries—justice, internal affairs, and labor and welfare—until a provisional parliament can be formed. These would in effect add law-enforcing powers to the present authority of the economic council.

American observers noted that the German proposals were almost identical with the personal views of Anglo-American control office officials, who are awaiting word from Washington and London on just how much authority the Germans may be allowed under any new setup.

Meanwhile, western zone Communists announced here that they would "not rest" until a "healthy democratic order has been established" throughout Germany. They said they might have nothing to do with any new economic or political body established in western Germany.

The breakup of the foreign ministers' meeting in London without agreement on Germany created gloom among German citizens.

As a result of rumors, many sought out travel agencies and asked if railway communications with the eastern zone were still functioning.

A 70-year-old woman hearing that the conference had failed, said, "God help Germany."

Reich Astir At Big Four Parley's End

Frankfurt, Germany, Dec. 16 (AP). The breakup of the London Conference of Foreign Ministers was the chief topic of conversation of the man in the street today in this bi-zonal capital of western Germany.

Illustrating the surprise with which the news was received here, throngs besieged travel bureaus to inquire whether railway communications with the Russian-occupied eastern zone were still functioning.

Transportation authorities and the local railway administration confirmed that train schedules between the two zones were normal.

U.S. Warns Germans Against Communism

Frankfurt, Germany, Dec. 16 (AP). An American Military Government official warned Germans in a radio address tonight against "following the phantom of communism" lest they "find themselves caught in the net of totalitarianism, with freedoms, once enjoyed, gone, perhaps forever."

The speech, by Otto A. Atzert, opened a series of semi-monthly radio broadcasts sponsored by the United States Military Government in the state of Hesse as part of the recently inaugurated American counterattack against Communist propaganda in Germany.

Thornton Wilder Plays Banned In Soviet Zone

Berlin, Dec. 16 (AP)—The Russians have banned presentation of plays written by Thornton Wilder, American author, in their zone of Germany, the United States Military Government said today.

The Russians told American authorities they objected to Wilder's glorification of the family in the play "Own Town" and to his "theories about the inevitability of war" in another play "The Skin of Our Teeth."

DEC -1947
DEC -1947

Von Schirach's Wife Ruled A Minor Nazi

Bad Tolz, Germany, Dec. 16 (AP)—Mrs. Henrietta von Schirach, wife of Hitler's former youth leader, was classified by a German de-Nazification court today as a minor Nazi offender.

The 34-year-old mother of four children was fined 2,000 marks ($200) and placed under probation for one year.

Her husband, Baldur von Schirach, was sentenced last year to twenty years' imprisonment by an international military tribunal.

C-45 Is Overdue in Germany

FRANKFURT AM MAIN, Tuesday, Dec. 16 (AP).—The United States Air Force said early today a C-45 transport plane with two persons known to be aboard was overdue at Wiesbaden air base. The plane left there at 6:57 o'clock last night, scheduled to return later, and lost radio contact after about an hour.

2 Die in Crash in Germany

WIESBADEN, Germany, Dec. 16 (AP)—United States Air Force headquarters announced today that an American weather plane, missing since last night on a local flight, had been found near Nierstein in the French occupation zone with both its occupants dead in the wreckage. The identity of the dead airmen was withheld pending notification of relatives.

U. S. PLANE CRASH KILLS TWO IN REICH

Wiesbaden, Dec. 16 (A. P.).—United States Air Forces Headquarters announced today that an American weather plane, missing since last night on a local flight, had been found near Nierstein in the French occupation zone, with both its occupants dead in the wreckage.

The wreckage was discovered by Major Raymond E. Johnson of Minneapolis, who landed his light L-5 observation plane beside it. The identity of the dead airmen was withheld pending notification of relatives.

The C-45 aircraft lost radio contact with the Wiesbaden airport last night while attempting an instrument approach in a snowstorm. Unconfirmed reports said that the plane was heard a short time later in the vicinity of the French zone city of Mainz, about seven miles from Wiesbaden, and that an explosion subsequently was heard south of Mainz.

The missing plane had taken off from Wiesbaden early last night to report on weather conditions.

Death Is Asked For Forty Nazis

Krakow, Poland, Dec. 16 (A. P.).—Six prosecutors asked the Supreme National Tribunal today to impose the death sentence upon forty former attendants at the Nazis' Oswiecim (Auschwitz) extermination camp, where it has been estimated that 4,500,000 persons met death. The tribunal is expected to hand down its verdict next Monday against the defendants, who include five women.

Author Says He 'Became' Norway Nazi

Grimstad, Norway, Dec. 16 (AP)—Knut Hamsun, Nobel prize-winning author, told a civilian court today he never applied for membership in Vidkun Quisling's Nazi party but that "somehow" he had become a member.

The 88-year-old author, deaf, but mentally alert, is being sued for $100,000 damages for his literary activities in favor of the Germans during the war.

Hamsun said he had received several telephone calls late at night from Josef Terboven, German commissioner during the occupation, asking him to write Naza propaganda in newspaper articles. He said he wrote a few stories and the prosecutor offered in evidence a scrapbook containing more than 200 pages of Hamsun writings, which he branded as propaganda.

His wife, Marie, was an ardent Nazi during the war and is currently serving a three-year jail sentence.

AUTHOR ON TRIAL FOR AIDING NAZIS

GRIMSTAD, Norway, Dec, 16—(AP) Pale, deaf and defiant, Knut Hamsun, Nobel prize winning author, face a jury of his neighbors today in defending himself against a $100,000 damage suit for his literary activities in favor of the Nazis during the German occupation.

The Norwegian crown is prosecuting the 88-year-old author of "Growth of the Soil" and other works after deciding not to charge him with treason.

The trial was held in the modest village hall here in South Norway near the writer's estate, "Noerholmen." He said he was living at an old peoples home because he was afraid his wife would "haunt" him at his estate.

"She is my evil spirit," Hamsun said. His wife, an ardent Nazi during the war, is serving a three-year jail sentence.

Admitting he had written articles for the Nazis, but claiming he was ignorant of the political consequences of his acts, Hamsun expressed sardonic opinions concerning the police, the lawyers and everybody else who had anything to do with the case.

"My errors are due to lack of correcting elements," he said. "During the occupation the press told a certain story. I had no means of correcting, the impression the press gave me, so I believed in it."

A verdict is expected near the end of the week.

Yugoslav Economic Plan

Tito Order Organizes Distribution Of Imports and Raw Materials

BELGRADE, Dec. 16 (AP).—Premier Marshal Tito has signed an order organizing planned distribution of all imports and raw materials to Yugoslav producers. The order, effective immediately, also proposes the creation of special commissions for handling contracts and distribution on national, state and local levels.

The order, designed to improve and facilitate distribution of goods within the framework of Yugoslavia's five-year plan, establishes a National Planning Commission as a control center.

ROMANIA FROWNS ON ROYAL TROTH

Bucharest, Dec. 16 (A. P.).—A representative of King Michael has been told that the time is inopportune for a royal marriage, Palace sources said today. The Cabinet has not been informed officially of the King's intention to marry, and has taken no decision in the matter, it was learned, but Palace sources said that a representative of the King, Dumitru Negel, has sounded out Cabinet Ministers.

The informants said that a high Cabinet member had told Negel that the moment was inopportune, both financially and from the international political standpoint. Negel refused to comment when he left Bucharest, probably for Switzerland.

Recent dispatches from Copenhagen and Lausanne, Switzerland, where the King has been staying, said that he contemplated marrying Princess Anne of Bourbon-Parma, who is of Franco-Danish extraction.

U.S. Troops Gone, Hungary Told

Budapest, Dec. 16 (AP)—The United States has formally notified Hungary of its compliance with the Hungarian peace treaty by the withdrawal of all American military forces from the country, it was learned today.

The United States also informed the Government it had returned 658,000 florints ($54,000) and all Hungarian Government goods which had been in its possession.

Unofficial reports from Sofia, Bulgaria, said that the withdrawal of the Russian garrison, once estimated at 50,000, began last week and was expected to be completed by Christmas. In accordance with the Bulgarian peace treaty, the Soviet Union is not permitted to retain any troops in Bulgaria.

[The Moscow radio said the last Russian occupation forces left Bulgaria yesterday.]

Anglo-American forces in Hungary and Bulgaria during the Russian occupation amounted to only a few dozen officers and men.

Foreign observers estimate Soviet troops in Hungary number 20,000, despite the gradual withdrawal in recent months. The treaty gives Russia the right to maintain a line of communication to the Austrian occupation zone. For this, observers say, 2,000 to 5,000 troops should be ample.

British notes similar to those presented to the Hungarian Foreign Ministry by United States Counselor William P. Cochran, Jr., are being prepared.

Balkan Pact Signed

Sofia, Bulgaria, Dec. 16 (AP)—Premier Georgi Dimitrov of Bulgaria and Premier Enver Hoxha of Albania signed a treaty of friendship, collaboration and mutual aid today.

'Freedom For All' Pact Passed By U.N. Group Despite Russians

Geneva, *Wednesday*, Dec. 17 (AP). The United Nations Commission on Human Rights early today adopted a covenant setting down essential freedoms for all human beings regardless of race, sex, nationality or religion. The draft will be submitted to governments of the United Nations.

At a meeting which lasted past midnight, the commission adopted the name "Convenant of Human Rights" for the proposed 25-article document to be legally binding on all states ratifying it. The vote was 10 to 4, with Russia, the Ukraine, White Russia and Yugoslav opposed.

Earlier the commission adopted a parallel "Declaration on Human Rights" which, if accepted by the United Nations, would have only moral binding force. Both drafts lay down essential freedoms for all.

Final adoption of the covenant was marked by a clash between A. E. Bogomolov, Russian delegate, and Lord Dukeston, of Britain. Bogomolov complained that the commission throughout the current session "ignored the essential basic rights . . . such as the right to work, to rest, to social security and education."

Lord Dukeston said the commission attempted merely to "define the foundation of the elementary freedoms." A bill of human rights, whatever the final form, he said, should "lead people to freedom. I want people to be free. I do not want people to be well fed slaves."

U.S. Army Expert Leaves Greece

Athens, Dec. 16 (AP)—Maj. Gen. William G. Livesay, chief of the United States military mission, left Greece by plane today for Washington. Observers connected his departure with the insistence of some Athens Government officials that the Creek Army is inadequately armed to subdue the guerrillas.

Fakher Accepts Post

Tehran, Iran, Dec. 16 (AP)—Reza Hekmat Sardar Fakher, president of the Iranian Parliament, said tonight after two days of study he would accept the premiership, succeeding Ahmed Qavam.

Iraq Army Ready, Baghdad Reports

Baghdad, Iraq, Dec. 16 (Reuter). Baghdad evening papers declared tonight that "reliable quarters confirmed today that the Iraqi army is now ready to join the Arab armies for the Palestine battle," adding that "according to unconfirmed reports 150,000 fully armed men are awaiting the signal to march."

The report also said that 500,000 armed tribesmen were ready to cross into Trans-Jordan to await zero hour.

Representatives of Iraqi political parties, senators, members of Parliament and elder statesmen held a meeting today at which it was decided to send money, arms, clothing and mobile hospitals to Palestine to help the Arabs fighting a "life and death battle."

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DEC - 1947

Parley Exposed Big 3, Russ Say

Moscow, Dec. 16 (AP)—A dispatch from London by Tass, the official Soviet news agency, today blamed the breakdown of the Big Four Foreign Ministers Conference on the western powers' efforts "to hamper international co-operation in the cause of establishing postwar peace."

The dispatch said Secretary of State George C. Marshall proposed "that the session adjourn without indicating the next meeting date."

[Persons present at the last session last night said none of the four Ministers present, the Russian included, made any suggestion as to the time and place of any future Big Four session.]

Sees 3 In "Unbecoming Role"

"The representatives of the United States and Britain unwittingly exposed themselves in the unbecoming role of forces who are hampering international co-operation," Tass said. "(French Foreign Minister Georges) Bidault, reckoning it best to remain silent, arraigned himself behind the backs of his colleagues."

The dispatch repeated the oft-made Soviet charge that there is a prearranged American plan—in which Britain and France have agreed to take part—to separate western Germany from the rest of the country.

"If the Council of Foreign Ministers could not be used for sanctioning this," Tass said, "then not only the work of the London session should be hamstrung but all preparatory work on the peace treaty for Germany should be hampered."

Their Plans "Fully Confirmed"

Izvestia, the organ of the Russian Government, declared in this connection:

"Reports published in recent days by the London press fully confirm the existence of such plans, not only by the American delegation but by the delegations of Britain and France, who have assumed obligations to obediently follow."

[The Communist party line for some weeks has been to assail the governments of Britain, France and Italy as mere order-takers from the United States.]

"It is significant," Tass said, "that the London press wrote openly during the session about American-Anglo preparations based on the presumed failure of the session.

Hits "Gross Afterthoughts"

"It became clear ahead of time that the delegations of the United States, Britain and France had decided, according to existing behind-the-stage agreements between them, to apply hamstringing of the work of the London session to the reparations discussion, trying thus to lay the responsibility on the Soviet Union for the negative outcome of the meeting and failure to prepare a peace treaty with Germany."

The dispatch characterized the statements of Marshall and British Foreign Secretary Ernest Bevin as "gross afterthoughts and distortion of generally accepted facts."

"Can't Be Treated As Greeks"

The dispatch said Soviet Foreign Minister V. M. Molotov told the other ministers the Soviet Union could not be talked to as if it were the Greek Government.

"One can decide questions with the Soviet Government," Tass quoted him as saying, "if efforts to impose decisions upon it are cast aside."

The dispatch added that "the statements of Mister Bevin and Mister Marshall . . . teemed with crude exaggerations and distortions" while Molotov's final summation "showed who was in actual fact responsible for the work not having been crowned with success."

RUSSIANS BEGIN RUBLES CHANGE; STORES CROWDED

E. GILMORE

MOSCOW, Dec. 16—(AP) Soviet citizens went to the banks today to exchange their old rubles for new ones under the currency reform program, then toured the stores to buy food, clothing and other items, some featured at lower prices with the end of rationing.

A citizen with old rubles in his pockets exchanged them on a basis of one new ruble for ten old. If he had 3,000 or less on deposit in the bank he could get one new ruble for each old one. On amounts of more than 3,000 the exchange ranged up to one new ruble for each three old ones.

Farm Markets Hit

The lowered prices hit the collective farm markets immediately. The lower prices in the state stores forced the farmer to drop his prices in order to meet the competition.

(Under rationing, Russians had several sources of goods, including ration stores, which sometimes lacked supplies; commercial stores, where no ration tickets were necessary but prices were much higher; and farm markets, where farmers, after meeting quotas, could sell foodstuffs.

(Some prices had gone sky-high recently. The Moscow correspondent of Stockholm's Morgontidningen reported from Helsinki that some Russians spent hundreds of thousands of rubles in early December buying, and some stores closed for "repairs.")

The government newspaper Izvestia hailed the inauguration of the new currency program and the end of the old dual system of "ration" and "commercial," or non-ration stores as "a way toward further strengthening of the Soviet state and a new growth of the people's welfare."

It said the "cheering news on money reform and abolition of rationing affected our lives like a holiday. Packed meetings at plants, factories, and collective farms became a powerful demonstration of the affection and devotedness of workers, peasants, intellectuals to the Bolshevik party and the Soviet government."

It predicted that "one will live better, more cheerful and our mighty Soviet Union will prosper even more."

Izvestia saw the new program as placing added responsibilities on Soviet trade machinery and said it will be up to workers in industry to turn out more consumers' goods to meet demands of purchasers.

Rents Unchanged

Wages were not affected by the currency reform program, and the workers will receive the same amount of rubles as they did previously. Rents remained the same. In Moscow rents have been traditionally low, with a two-room apartment here, utilities paid, costing around 100 rubles a month—about $20.

Izvestia carried the announcement that the official rate of exchange remains at 5.3 rubles to the United States dollar. It was the first mention of exchange rate since the announcement of the currency reform program. The diplomatic rate of exchange has been set at eight rubles to the dollar, instead of the old rate of 12.

Stores were piled high with foodstuffs and other consumers' goods in Moscow this morning. They opened earlier than usual. Prices were as low or lower than former rationed items and in most cases far below the old commercial or unrationed prices. Buying appeared to be on a large scale.

Price marks were in new rubles. Old rubles were accepted freely, but at the new exchange rate of one new for ten old.

The lower prices were noted particularly in the case of clothing. Men's suits that cost 1,000 rubles or more in commercial shops were priced now at 600 rubles.

DEC - 1947

Red Banks and Shops Crowded

Exchange of Rubles and Purchasing of Goods Freed of Rationing Reported Orderly.

Moscow, Dec. 16 (A. P.).—Russia's banks and stores opened today to orderly crowds and began the exchange of new rubles for old as well as the sale of food, clothing and other unrationed items—some at lower prices.

Moscow stores did a good business selling derationed goods. Stocks were marked with prices in new rubles. Old rubles were freely accepted but at the new official exchange rate. The customers spent the first part of the morning looking around but soon began large-scale purchasing.

An announcement said today that the official exchange rate of the ruble—5.3 to the United States dollar—would continue. It was previously announced that under the diplomatic exchange rate, only eight rubles would be exchanged for the dollar instead of twelve as heretofore. The Government newspaper Izvestia today published quotations for the ruble in terms of foreign currencies—and no change what soever was indicated.

Izvestia acclaimed the monetary decree with an editorial declaring: "Money reform and the abolition of rationing are ardently approved by all our great people. The Soviet people see in the historical measures of the Communist party and the Government a way toward the further strengthening of the Soviet State and new growth of the people's welfare."

Izvestia asserted that the "cheering news on money reform and the abolition of rationing has affected all our lives like a holiday."

"Packed meetings at plants, factories and collective farms," the paper said, "became powerful demonstrations of affection and devotedness on the part of the workers, peasants and intellectuals to the Bolshevik party and the Soviet Government.

New Responsibilities.

Izvestia said that the new developments would place large new responsibilities on Soviet trade and machinery

"It is the duty of workers in industry and the makers of consumer goods to satisfy the requirements of Societ citizens and satisfy them exemplarily," the paper said.

One item is still unchanged in the Russian worker's budget—his rent. Rents, which have not changed markedly in Soviet cities in the last ten years, were unaffected by the reforms. Rents in Moscow have traditionally been at a very low level as related to personal income. Thus, it is possible to rent a two-room apartment in this city, with all utilities paid, at little more than 100 rubles a month—the equivalent of about $20.

DEC - 1947

ARAB, JEW POLICE IN FURIOUS BATTLE

5 Slain in Desert Fighting; British Soldier Killed in Jerusalem.

JERUSALEM, Dec. 16 — (AP) Camel-riding Arab police and Jewish settlement enforcement officers clashed in three furious battles in the Holy Land's southern desert today and four Jews and one Arab were officially reported killed in the heavy fighting.

Civilians of both factions, including Arab desert tribesmen, also engaged in the battles which centered about the Jewish settlements of Halutza, Revivim and Beth Eshel.

Death Toll Hits 260

The death toll in the three clashes brought to 260 the number of persons killed in Palestine since the United Nations decided Nov. 29 to partition the Holy Land into separate Arab and Jewish states.

Hagana, the Jewish defense army, said the uniformed Arab fighters who subjected the three settlements to repeated attacks were "sharpshooters of the Palestine police camel corps."

Earlier, Hagana claimed to have trapped and destroyed a large force of Arabs in an encounter five miles north of Petah Tiqva.

A Hagana spokesman said the Arabs, believed to be a scouting party from the Arab village of Tulkarm, were first sighted north of Tel Aviv. They were pursued northward and took refuge in a group of abandoned houses where Hagana fighters surrounded them, the spokesman said.

There was no confirmation of such a clash from Arab sources.

One British police sergeant was wounded fatally and another suffered serious wounds when they were attacked tonight in Jerusalem. Police reports conflicted concerning the origin of the attack. One said that "probably" Jews fired at the police, while another blamed the attack on Arabs in a

stolen armored car.

Hagana and the Arab "people's army," as yet unnamed, appeared to be sparring for opening holds in the struggle over the creation of an independent Jewish state.

Hagana guns continued a two-day duel with Arab snipers in Tel Eresh, south of Tel Aviv. Withdrawal of British and Arab police from Tel Aviv was completed this afternoon and Hagana security forces operated unhampered.

Mass Funeral Held

One of Hagana's first duties was direction of a funeral for 12 Jews slain by guns of Trans-Jordan's Arab Legion Sunday in Beit Nabala. The legion is on police duty in Palestine for the British. An estimated 20,000 Jews followed the procession, which was routed through side streets because, said a Hagana spokesman, "we are now at war and we do not want to arouse tears and mourning."

Advices from Arab centers over the Middle East indicated the Arab drive for men and money to fight the partition of Palestine was gaining impetus.

A "decisive" announcement was promised after the closing session of the Arab league conference in Cairo today.

The Lebanese government requisitioned three buildings in Sidon which informants said would be headquarters for Arab forces operating against Palestine Jews.

Other violence reported during the day in Palestine included the firing of a number of houses in the Tel Aviv-Jaffa borderland area. Jewish sources said the water pipeline to the Negeb (southern desert) had been sabotaged during the night.

DEC - 1947

A spokesman for the Jewish defense forces said that the Arab band, which he described as "a large force," was believed to be a scouting party from the Arab village of Tulkarm. The Arabs, first observed north of Tel Aviv, were pursued northward by Hagana fighters. The Arabs finally took refuge in several abandoned houses on the outskirts of Yarkona. Hagana said that the larger part of the Arab band had been destroyed.

Four Victims Die.

An official announcement said that three Arabs and one Jew who were wounded in previous incidents died today, boosting the Holy Land death toll to 253 since the decision to partition Palestine on November 29. The death toll for the entire Middle East reached 374.

In all-Jewish Tel Aviv, 20,000 Jews marched in a grim procession behind the coffins of twelve of the fourteen Jews slain in the Arab legionnaire's attack at Beit Naballa Sunday afternoon. Members of Hagana guided the funeral from a downtown morgue through side streets to the cemetery to avoid a mass demonstration, a spokesman said.

Arab Houses Set Afire.

"We are now at war, and we do not want to arouse tears and mourning to disturb the life of the city at this time," he said.

In the border area between Tel Aviv and all-Arab Jaffa, a party of Jews in a white jeep were reported to have set fire to several Arab houses. Shooting broke out in the Jewish settlement of Holon, southeast of Tel Aviv.

Jewish informants said that the oft-broken water pipeline to the Negeb (southern desert) had been sabotaged again during the night.

In Cairo, the premiers and for-

"War" Parley Nears End

In Cairo, the Premiers and Foreign Ministers of the seven Arab states prepared to wind up their "war conference" tonight and said they would issue a statement at the close of the meeting.

Syrian Premier Jamil Mardam Bey was quoted in Cairo dispatches as saying the announcement would be a "decisive" one. He said it had been drafted by the Premiers of Syria, Iraq, Trans-Jordan and the deputy Foreign Ministers of Saudi Arabia.

Hagana Battles Band of Arabs

Jewish Militia Reports Larger Part of Moslem Scouting Party Destroyed.

Jerusalem, Dec. 16 (A. P.).—Hagana headquarters at Tel Aviv reported today that a Hagana force had surrounded a uniformed and "heavily armed" band of Arabs at Yarkona, five miles north of Petah Tiqva, and that a pitched battle was taking place.

British Held Real Foes Of Jews

London, Dec. 16 (AP)—The *Times* said today it had received a circular, purportedly from the Jewish underground organization, Irgun Zvai Leumi, charging that the British and not the Arabs are the real enemies of the Jews.

The *Times* said the circular also said the British Government is "planning a bloody struggle between Jews and Arabs out of which it means to gain renewed control" of Palestine.

The note further stated that Jewish counterattacks upon the British would extend outside Palestine, the *Times* said.

The *Times* said the circular intimated that similar notes had been sent to local government authorities and "certain individuals" in Britain.

The *Times* said the circular stated: "The evacuation of British troops will be carried out in such a way that Jewish areas continue to be ruled by the army while Arab areas are left free to organize attacks upon the Jews."

"Should the Jews ask for British aid," the circular said, "they will be told that aid will be forthcoming on condition that Palestine remains effectively under British rule."

Reports Jews Slain in Pakistan

American-born Wife of Hindu Asks Inquiry as Official Denial Is Published.

New Delhi, Dec. 16 (A. P.).—The American-born Jewish wife of a Hindu college president said today that she had sought authorization from the Jewish Palestine conference to investigate the alleged killings of Jews in Pakistan as a result of the Palestine partition decision. Mrs. Rebecca Kabrisky Ghose, formerly of Brooklyn, said that she had sent a message to the conference, now in session at Atlantic City. She is the wife of S. N. Ghose.

New Delhi newspapers today published an official denial from the Northwest Frontier Province Government of allegations that Jewish homes had been entered by Moslems in Peshawar, and that many Jews had been killed and wounded. The denial said "one Jewish house in Peshawar was entered by four offenders on December 2. One woman was killed, and two men and one girl were injured." The official report said that "the motive for the crime appears to have no connection with the Palestine decision."

Mrs. Ghose, who estimates that there are 5,000 Jews in Peshawar, informed the conference that she was a niece of the late Samuel Rabinovitch, organizer of the United Jewish Charities of Brooklyn.

The Ghoses were married in the United States in 1923. They went to India eleven years ago. They have two daughters in the United States, Mrs. Lyla Ghose Tiner, now is at the University of Illinois, and Miss Marian Ghose, at Michigan State College.

This dispatch apparently referred to the National Conference of the United Jewish Appeal, which closed yesterday in Atlantic City. Mrs. Ghose's stepmother,. Mrs. Fred Kabrisky, of 239 36th street, Brooklyn, said that her stepdaughter is 47 years old, and has other relatives in New York.

DEC - 1947

Bao Dai To Carry Issue On Indo-China To Paris

Hong Kong, Dec. 16 (AP)—The China *Mail* said today Bao Dai, former emperor of the Indo-Chinese state of Annam, would leave for Paris within a few days to discuss independence for Indo-China with the French.

Bao Dai now lives in exile in this British crown colony, and there have been recent demonstrations in territory under French control for his return.

The *Mail* said Bao Dai would discuss in Paris the complete unification and independence of the states of Cochin-China in the south, Annam in the center and Tonkin in the north. (The other states are Laos in the center and Cambodia in the south.)

China Alarmed At Gain In Red Forces' Strength

Nanking, Dec. 16 (AP)—A high Government military source said today that the Communists had achieved a "dangerous" numerical superiority in combat troops in the past two years of China's bitter civil war.

Arms for that force, the source added, came "without doubt" from Japanese stocks surrendered to the Russians in Manchuria at the end of World War II.

In an interview, the military spokesman said it was estimated that the Chinese Reds had increased their armies by 500 regiments with a strength of more than 575,000 men.

Comments On Arms

He said Japanese armaments supplied the Communists amounted to "more arms and munitions than the National Government received from friendly foreign powers during or since World War II."

Japanese stocks of armaments included 1,500,000 rifles, 150,000 machine guns and 20,000 cannon, he added.

Bulk of the new troops was believed concentrated in Manchuria, where the official Central News Agency reported a resumption of fighting after a month-long lull.

Drive Opened At Chinhsien

The agency said a Communist division opened the offensive with an attack on the southwestern rail center of Chinhsien, after shifting from the Jehol-Liaoning border region.

Earlier the independent newspaper *Hsin Min Pao* reported that the Communist 8th Division had wrecked a number of railway stations in Southwest Manchuria between Chinhsien and Mukden to disrupt the Peiping-Mukden line.

Other reports said it appeared that the Communist offensive—the seventh by the Reds—was starting with a substantial number of troops moving southward toward the frozen Sungari River.

General Resigns

The Executive Yuan today announced approval of the resigna-

tion of Gen. Sun Lien-chung, Hopeh provincial governor accused of failing to defend the rail city of Shihkiawuang from Communist attacks.

Appointed to succeed Sun was Lieut. Gen. Tzu Shih-chun, former commander of the Mukden garrison. Last year Tzu directed the successful defense of Tatung, in North Shansi province, against a month-long Communist siege.

DEC - 1947

DEC -1947 30.24- 14283

LIU ESCAPES CHINESE 'RING'

Communists Reported Gaining 'Dangerous' Superiority

Nanking, Dec. 16 (AP)—Gen. Liu Po-cheng, elusive leader of Communist marauders in central China, has fought his way out of a big Government "iron ring," Chinese press dispatches said today.

Reports he once more had made good his escape and returned to his mountain hideout coincided with news of renewed fighting in Manchuria, where a high Chinese military source asserted the Communists now had a "dangerous" numerical superiority because of help from Russia.

Once before, about four months ago, Liu was cornered in Shantung province. He fought clear and moved south into central China, where he began a paralyzing series of forays along the Yangtze.

500 Regiments Added

Recently, Gen. Pai Chung-hsi, Defense Minister and one of the Government's most able strategists, was sent out from Nanking to bring Liu to bay.

On the situation in Manchuria, a high Chinese military source asserted Russia had turned more captured arms over to the Communists than the Government received from friendly powers "during or since World War II."

As a result, he said in an interview, the Communists in two years have added 500 regiments totaling more than 575,000 men, mostly on the Manchurian front.

Tokyo, Dec. 16 (AP)—General MacArthur polled more votes than Emperor Hirohito or a Japanese Communist in balloting among high-school students as to whom they respected most.

The poll was conducted at Iizuka school, in Fukushima prefecture northeof Tokyo. The Supreme Commander received 332 votes, Hirohito, 328, and Kyuichi Tokuda, secretary general of the Japanese Communist party, 141.

Prime Minister Tetsu Katayama received 40.

Sugar Cargo Upsets Jap Black Market

Yokohama, Dec. 16 (A. P.).—The sugar black market collapsed today as the first shipment of Cuban sugar for general rationing arrived from San Diego, Cal. One kan (eight and a quarter pounds) of sugar, selling at 3,000 yen ($60) yesterday, could be bought today for 2,500 yen ($50).

Eggs Added To Ration First Time In 4 Years

Tokyo, Dec. 16 (AP)—For the first time in four years, Japanese this month will receive eggs in their food rations—with the stipulation that they must be given to children. Eggs, rarely available at the official price of 10 yen each (20 cents) can be bought for 18 yen apiece on the black market.

Minister Of State Faces Eviction

Tokyo, Dec. 16 (AP)—Minister of State Takao Saito is just one of the people today—his landlord is asking him to vacate.

Said the landlord: "My family has been living in a two-room shack, feeling that we were helping you. Now, however, my daughter is getting married and we must have the house. Please vacate by the end of the year."

Pleaded Saito, who lost his home in the war: "Please let me stay, even if we must share the house with the newly married couple."

"No, no," said the landlord.

1,600,000 Search In Vain For Homes

Tokyo, Dec. 16 (AP)—Kyodo news agency took a look at this prostrate nation today in the third winter since the surrender and observed:

"One million six hundred thousand persons are searching with bloodshot eyes for homes."

A survey by the agency showed 19,000 families are living in shacks and more than 2,000 families in air raid shelters in Tokyo. Destroyed by fire bombs were 769,000 homes and an additional 207,000 were torn down for firebreaks.

Families have doubled up and tripled up to share small abodes. Since the surrender 120,000 houses have been built. Building costs have soared 600 per cent since the end of the war.

P.C. Of Tokyo Faces Bathless Winter

Tokyo, Dec. 16 (AP)—Looks like three-fourths of Tokyo's population may go without a bath this winter.

Anyway, there are 785 public bath houses using electricity which may have to close because of the power shortage, and that's where three-fourths of the Japanese in this capital bathe.

JAVANESE CHARGES MASSING OF DUTCH

Premier Sees Capital Menaced —Netherlands Replies This Is 'Absolutely Not True'

BATAVIA, Java, Dec. 16 (AP)—Amir Sjahriffudin, Premier of the Indonesian Republic, asserted today that Dutch troops were concentrating on Java perimeters "in sufficient numbers possibly to threaten the Republican capital of Jogjakarta."

A Dutch spokesman denied this. "Sufficient Dutch troops are massing at several points along Dutch lines to constitute a threat against Jogjakarta," the Premier told reporters, adding:

"I do not know that they are actually a threat, but they could be such a threat."

A Dutch Government spokesman termed this information "absolutely not true." He declared that there were no unusual concentrations of Dutch troops along the perimeters and added that there was "no question of a Dutch move on Jogjakarta."

Earlier, the Indonesian Socialist party, of which former Premier Sutan Sjahrir is president and Premier Sjahriffudin vice president, met in Jogjakarta and formulated an appeal to all the Socialist parties in Asia to press for relief action supporting the Indonesian Republic against "a possible Dutch offensive to Jogjakarta."

Reply Made on Trade

Meanwhile, the Netherlands delegation, which is negotiating with the Indonesian Republic, has made public a lengthy reply to the Republic's memorandum of Nov. 25 which charged that the Dutch were strangling Indonesia by a trade blockade.

The Dutch asserted that it was "impossible" to supply rice to Indonesia from Netherlands-held areas, contending that the target ration of 200 grams per head daily in Dutch territory could be maintained through the spring of 1948 only by all available imports.

The Dutch reply also stated that various ports on Java's north and east coasts already had been opened to traffic in foodstuffs, textiles and medical supplies.

A Netherlands East Indies Army communiqué today placed Dutch losses since the United Nations cease-fire order of Aug. 4 at 323 killed, 952 wounded and twenty-five missing as of Dec. 6.

The creation of an autonomous territory of 12,000,000 people in Western Java was sought today by Raden Ejuwarsa, Regent of Purwakarta, at the opening session of the West Java Conference.

This conference of the Sundanese, assailed by a Republican Government statement as an infringement on the mission of the United Nations Good Offices Committee, will continue through Saturday.

ASKS WEST JAVA RULE

Batavia, Dec. 16 (A. P.).—The creation of an autonomous territory of 12,000,000 people in western Java was sought today by Raden Ejoewarsa, regent of Poerwakarta, at the opening session of the Dutch-sponsored west Java conference.

The conference, assailed by a republican Government statement as an infringement on the mission of the United Nations' good offices committee, will continue through Saturday. The U. N. committee is sponsoring negotiations between the Netherlands and Indonesian governments in an effort to settel their differences.

The meeting, presided over by Hilam Djajadiningrat, Dutch-appointed Governor of West Java, was attended by K. Enthoven, adviser to Dr. Hubertus J. Van Mook, Lieutenant-Governor-General of the Netherlands East Indies, and Dutch Gens. Durstbritt and Engals.

Huge Wheat Loss

Sydney, Dec. 16 (AP)—Department of Agriculture experts estimate that 20,000,000 bushels of the New South Wales wheat crop have been destroyed by rain and rust. Rain has been falling almost continuously since November 24.

Texas Firm To Seek Argentine Petroleum

Buenos Aires, Dec. 16 (AP)—The Argentine Government today approved a contract awarded to the Drilling and Exploration Company, Dallas (Texas), for drilling 40 exploratory oil wells at an estimated cost of 50,000,000 pesos ($12,500,000).

The contract was signed between the North American firm and Yacimientos Petroliferos Fiscales, the Government oil company, earlier this month.

Drilling will be started in various parts of the country's estimated 600,000 square kilometers of so-called oil-bearing soil. Argentina now imports more than half of her petroleum requirements.

Havana, Dec. 16 (AP)—Dr. Diego Luis Molinari, chief Argentine delegate to the Havana Trade Conference, said tonight his country was prepared to grant $5,000,000,000 in loans to needy nations now that the Big Four Foreign Ministers' Conference has failed.

Molinari said at a press conference that Argentina would make this offer for world peace as part of the Marshall plan.

"There cannot be any world peace unless aid is given now to nations that need help," he said.

U.S.-Panama Agreement Is Protested By 4,000

Panama, Dec. 16 (AP)—Four thousand demonstrators, mostly women, paraded in front of the National Assembly today urging rejection of an agreement with the United States for Panama Canal defense bases. There was no disorder.

Max Arosemena, Minister of Education, resigned tonight because of the students' strike which started yesterday. The students' federation announced the strike would continue until the National Assembly has rejected the agreement.

This is the second Cabinet resignation resulting from developments in connection with the agreement. Foreign Minister Alfaro resigned last week.

Newsprint Price Boosted $6 A Ton

Toronto, Dec. 16 (AP)—The Great Lakes Paper Company of Fort William today announced an increase of $6 a ton in the price of newsprint, effective January 1.

Abitibi Sales Company, Ltd., Toronto, and International Paper Sales Company, Inc., Montreal, previously had made similar announcements.

The increase is on the present price of about $66 in Canada and $90 in New York.

Vancouver, Dec. 16 (AP)—The Powell River Company, Ltd., today announced a $6 increase in the price of white newsprint, effective January 1, bringing it to $96 a ton, New York base.

A company spokesman said the increase was ordered to meet higher production costs.

UN LEADERS SEE REDS STEPPING UP PROPAGANDA PACE

FRANCIS CARPENTER

LAKE SUCCESS, Dec. 16 — (AP) Russia will step up the tempo of her propaganda output through the United Nations but will not change her policies here because of the foreign ministers break in London, key UN delegates and officials predicted today.

The concensus of delegates and observers was that the UN will go ahead according to its present

plans. No one expressed the view that the Russians will get out of the assembly, the security council or the Atomic Energy Commission.

To Increase Propaganda

On the contrary, several informed persons said Soviet delegates would increase their activities on these basic organs but would continue their boycott of practically all other UN bodies, including the trusteeship council and the "little assembly" convening here Jan. 5.

Some delegates speculated whether Secretary of State Marshall would bring to the UN. Some of the problems left hanging in London such as that of Austria. There was no official word on that at present.

One UN official, who would not be identified, said the Russians now are in the UN for the political value to be derived from it. He said the UN, offering the opportunity of speech-making in the assembly, the security council, and the atomic commission, gave the Soviet government an excellent outlet for communicating its views to the world.

The Russians have remained aloof from the specialized agencies through which the UN is tackling a variety of world problems and they have consistently boycotted the trusteeship council, which concluded its second session today.

Thus they have restricted somewhat the work being done by these agencies but UN sources said it was important to note that the work is being accomplished anyway. Some said it was up to the UN to make its various agencies and councils so attractive and their work so good that the Russians could not afford to remain "off the band-wagon."

EARLY DECISION SEEN ON KOREA'S POLITICAL FATE

LAKE SUCCESS, Dec. 16—(AP) The political fate of Korea may be decided next month after a United Nations commission in Seoul asks the Russians to help carry out a UN decision calling for country-wide elections leading to establishment of an independent Korean government.

If the Russians answer is unfavorable, the alternative conceivably could be a course leading to partition of Korea.

Red Opposition Expected

The Russians, firmly entrenched as occupying power in the northern half of Korea, are expected to reject all overtures for their sanction of an election or permission for UN observers to cross into Soviet-held territory. Such moves were forecast here last month when Deputy Foreign Minister Andrei Y. Vishinsky described the assembly's decision as "illegal" and said his country would not cooperate.

The Soviet boycott took tangible form when the Soviet Ukraine, one of the nine nations elected to the commission, refused to serve. The body thus will function with delegates from eight nations: Australia, Canada, China, El Salvador, France, India, Syria and the Philippines.

The United States, which occupies the southern half of Korea, sponsored the assembly step and naturally is ready to cooperate.

The commission's secretariat of about 25, headed by Assistant Secretary-General Victor Hoo of China, will leave New York Jan. 2 by chartered plane. Stops will be made in San Francisco, Honolulu and Tokyo. The first commission meeting is scheduled for Seoul, in the U. S. sector, on Jan. 8.

Present plans call for the commission to begin negotiations there immediately with American and Russian military authorities. If the Russians decline to permit the UN body to oversee elections in the north, the UN will be confronted with a decision on whether to go ahead with balloting in the south alone and establish a government there. Such a step would mean division of Korea, perhaps permanently, with the Russians left alone in the north to evacuate their troops when and as they please and free to establish a regime in northern Korea.

The key section of the assembly's Korean resolution—adopted 43 to 0 with the Soviet six-country bloc refusing to vote or abstain on the record—provides that the UN commission shall have the right to "travel, observe and consult throughout Korea."

Truman Requests Greater Farm Production

Chicago, Dec. 16 (AP)—President Truman today sent word to the American Farm Bureau that agricultural production "must be measured in terms of its great contribution to democracy, freedom and peace."

Mr. Truman's message was read to the twenty-ninth annual convention of the federation by Edward A. O'Neal, retiring president, just before O'Neal's own farewell speech.

The President asserted that to make agriculture contribute "to the utmost, we are now engaged in a vigorous grain conservation effort. And in this farmers, of course, have a primary responsibility."

Face Sustained Need

"Not only are we confronted with an immediate world food emergency, but we also face the need for long, sustained effort to help build the economic foundations for world peace and stability. Much of the required assistance to Europe can come from nowhere but the American farm.

"However, the high level of combined domestic and foreign demand puts a great strain on our price structure and on our resources. Therefore, we must take action against inflation so as to protect our standard of living for the present and to make possible our economic security in the future. We must maintain the strength of our farm programs.

"We must maintain our productive capacity by conserving and rebuilding our soil to the greatest extent possible. We must lay plans for a future of ever-increasing production and distribution for a higher standard of living."

"Golden Age" Or Decline

Following the reading of the President's message, O'Neal told the federation he has headed for sixteen years that America "stands at the threshold of what can be either its golden age or the beginning of its downfall."

"We have at our command scientific helps and advanced technologies which, if properly used, are certain to increase vastly the productivity of all enterprises, including agriculture.

". . . But we will never reach those heights unless we advance as rapidly in social and human relations and in our sense of moral values as we do in our technologies."

Recommendations

O'Neal recommended to the 5,000 delegates continued support of the United Nations, maintenance of consumer purchasing power, backing of the Marshall plan for Europe, further development of co-operatives, concentration of soil conservation work under one agency, and modification of the parity-price formula as principal points in the Farm Bureau program.

Of parity, O'Neal said: "Modification of the parity formula to conform to changed conditions is now demanded. It is generally conceded that it will be modified and should be to make it fair to all commodities.

". . . (But) above all things do not get the idea that parity is, or should be regarded as a cost-of-production concept. . . . The parity formula represents a relationship between prices of what a farmer buys and the prices of what he sells, a device for measuring degree of economic balance between farmers and other groups."

Retirement Statement

The 72-year-old president, referring to his impending retirement, said: "New times, new conditions, new concepts throughout the entire realm of human affairs call for new approaches, fresh minds and youthful enthusiasm. . . . My work is now finished, and the leadership will be entrusted to someone who is younger, more vigorous, better equipped. . . ."

It was generally expected that Allan B. Kline, of Des Moines, Iowa, would be elected to head the organization, which claims about 1,275,000 members. Election of officers is scheduled Thursday. However, there was some possibility, should a split develop on the price recommendations to be adopted by the federation, that Southern members will support another candidate, probably H. L. Wingate, of Macon, Ga.

BOOST YIELD, U.S. OFFICIALS URGE FARMERS

Truman Joins In Plea To Bureau Federation's 29th Convention

Chicago, Dec. 16 (AP)—High Government officials, including President Truman, today joined in urging the American farmer to increase production, while Edward A. O'Neal, retiring president of the American Farm Bureau Federation, warned that "food alone will not solve the problems of Europe."

The officials were David Lilienthal, chairman of the Atomic Energy Commission, and Warren R. Austin, United States delegate to the United Nations. They addressed the opening sessions of the Farm Bureau's twenty-ninth annual convention, to which Mr. Truman sent a message.

Lilienthal, saying that atomic energy "is an important part of the business of farming," added that nuclear physicists were moving rapidly to "unlock new knowledge of plant growth."

May Aid Production

Radioactive isotopes serving as plant growth tracers, he said, "may well help to solve one of the most vexing problems of humanity—how to keep food production in pace with the growth of the world's population."

He warned, however, "not to take any stock at this stage in the vivid claims of great stimulation of growth and production by use of radioactive materials directly on the farms as fertilizers or in feeds. These are not tested and proved."

Mr. Truman's message, read by O'Neal, declared that the American farm family "will continue to bear a heavy load of responsibility" in extending assistance to Europe.

Contribution To Democracy

The President said, "The production achieved by American farmers this year cannot be measured alone in terms of bushels and tons and dollars. It must also be measured in terms of its great contribution to democracy. To make it contribute to the utmost we are now engaged in a vigorous grain-conservation effort.

"And in this, of course, farmers have a primary responsibility."

Austin, asserting the "first objective" of anyone who believes in the United Nations "is adoption of the Marshall plan for European recovery," declared that the key commodities for such recovery are food and coal.

Lacking Energy

"As a result of underfeeding and war fatigue," he said, "manpower is lacking in energy. Many a coal miner in France, in England and in the Ruhr this morning didn't have the strength to get out of bed and dig coal."

O'Neil, in the speech terminating his sixteen-year presidency, asserted that while any program of aid to Europe "will cost a lot of money," the total expense will be "small in comparison with the social economic, moral cataclysm another war would cause."

He supported the general trade agreement signed in Geneva in October as "encouraging," but said it did not go far enough in the direction of improving trade relations.

O'Neil's successor, probably Allan B. Kline, of Des Moines, Iowa, is slated to be elected at Thursday's closing sessions.

PRICE CONTROL CHARGES FILED

Boston Dealers Are Indicted Under Anti-Trust Laws

Washington, Dec. 16 (AP)—Attorney General Clark today announced the indictment of the Boston Fruit and Produce Exchange and twelve produce firms on charges of conspiring to fix egg prices in New England.

Clark said the indictment was returned this morning by a Federal grand jury in Boston, acting under the anti-trust laws. The maximum penalty on conviction of organizations for price fixing is a $5,000 fine.

In a statement, Clark said the indictment alleges that the Boston Exchange "is not a bona fide commodity market for the actual purchase and sale of appreciable quantities of agricultural products."

"The grand jury found," he added, "that the exchange was being used by the defendant dealers to fix collusively egg prices throughout New England, in violation of the anti-trust laws."

Clark termed the indictement another step in a drive by the Justice Department's anti-trust division against "illegal conspiracies which increase or maintain" prices in the food, clothing and housing fields.

Indictment Outlined

The Justice Department said the indictment alleged:

"That the accused companies used the exchange to determine among themselves and establish artificial 'official' wholesale prices for each grade of eggs, and to purchase eggs from farmers and sell eggs to retailers and other distributors at prices based on the so-called 'official' price."

That the transactions on the exchange "are only token instructions

DEC -1947

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among the defendants and account for less than one per cent of the actual volume of purchases and sales of eggs by members of the exchange."

That the "official" price quotations circulated by the exchange "are not the actual prices at which most eggs are being sold at wholesale, and farmers who sell their eggs on the basis of those quotations are misled."

Another Suit Brought

The Justice Department also announced that a civil anti-trust suit has been filed against the Abrasive Grain Association of Worcester, Mass., and five corporations.

The suit charges them with fixing prices for artificial abrasives. These materials are used in polishing processes in the construction, automotive, plumbing supply, hardware, glass, optical, stone and gem industries.

Attorney General Clark said the action was filed in United States District Court at Buffalo, N.Y.

He said in a statement:

"The artificial abrasives involved in this suit are of basic importance to United States industry. They are widely used in manufacturing processes. Restrictive practices in the production and sale of this material have a direct effect upon costs in a large number of our basic industries."

a resolution for creation of the House Committee before the special session of Congress adjourns, probably Friday.

Grains Scheduled.

Such an investigation, he said, would embrace trading in commodities generally, as well as grain.

There was no immediate comment from Anderson, but he is expected to announce shortly his position on a release of the list which Harold E. Stassen says includes name of "Government insiders."

The Senate Appropriations Committee wants to look at the names as part of an inquiry into reports that persons connected with the Department of Agriculture and other Government officials are using official information to profit in market transactions.

Senator Ferguson (R.-Mich.) told reporters that if the administration refuses to make them public, the committee may try to get them by subpœnaing either Government or brokers' records.

Anderson's aids, who asked not to be named, said he believes the

Commodity Speculation Study

House Republicans Decide on 7-man Study —Anderson Willing to Turn Over Lists.

Washington, Dec. 16 (A. P.).—The House Republican Steering Committee decided today to set up a special seven-man House committee to investigate "speculation on the commodity markets."

Speaker Martin made the announcement to newsmen after a meeting of the Republican leaders in his office. The special committee probably will be headed by Representative August H. Andresen (R.-Minn.).

The announceemnt came shortly after aids had described Secretary of Agriculture Anderson as willing to turn over to a Senate Committee a list of grain market speculators if Congress demands it by resolution.

Speaker Martin said the Republican plan is to put through

commodity exchange act regulating grain markets prohibits disclosure of such information. However, they said a congressional resolution demanding the list would be accepted as a temporary amendment to thee law.

Anderson is expected to state his position in a letter to Chairman Bridges (R.-N. H.) of the Appropriations Committee. He and Bridges conferred on the matter but Bridges declined to comment afterward.

DEC -1947

Living Costs for Family of Four Up $450 Over '46, Experts Report

WASHINGTON, Dec. 16 (AP)—Government cost-of-living experts calculated today that the cost of maintaining a city family of four has risen about $450 a year since March, 1946. A CIO spokesman immediately interpreted the statistics as proving that higher wages are "an economic must."

The bureau of Labor Statistics, which has been keeping tab on the cost of living in 34 major cities since 1945, handed the figures today to a subcommittee of the senate-house economic committee headed by Senator Taft (R-Ohio).

Based on "Average" Family

Ewan Clague, head of the bureau, said the statistics were based on neither a luxury nor a base subsistence level, but represented "an attempt to describe and measure a modest but adequate American standard of living." The "average" family on which it is based is made up of an employed father, a housewife, and two school-age children.

The study showed living costs highest in Washington, Seattle and New York, and lowest in New Orleans, Kansas City, Mo., and Houston. Increased food prices accounted for about a third of the total jump.

The annual budget for a four-member family amounted to $3,458 in Washington and $3,004 in New Orleans last June, the bureau reported, adding that consumer prices have gone up 4.3 per cent more since that date.

As of last June, food cost the family about $20 a week, compared with about $15 in March, 1946. The annual food bill for such a family in Cincinnati, for instance, rose from $792 to about $1,000, while a New York family found its food costs up from $850 to just under $1,100.

Local taxes were found to be rising everywhere—as much as 100 per cent in some cities. Rents also increased under the rent control law which went into effect last summer.

CIO Sees Higher Wage Need

Emil Rieve, administrative chairman of the CIO full employment committee, said the bureau's statistics furnished proof that not only higher wages but "better social security benefits and full employment guarantees" are "an economic must."

Rieve said his group thinks the budget too low, declaring that it allows nothing for savings or insurance which would provide cash benefits during an illness. He added.

"The food budget, which is set at $20 a week, actually allows only 24 cents a meal for each of the four members of the family. The diet would be modest, to say the least, with only six loaves of bread a week, nine pounds of meat and 12 quarts of milk.

"The present gross average earnings in manufacturing industries are only $1.25 an hour. But to achieve this family budget, the father would have to earn from $1.55 to $1.75 an hour for 50 weeks of 40 hours each to achieve this budget at current high prices. It is obvious that millions of family heads earn a lot less than this—a lot less than even the average gross hourly wages. A large number of workers do not work every week, due to layoffs, shortages or illnesses."

House Unit Votes U.S. Funds Okay

Washington, Dec. 16 (AP)—The House Appropriations Committee today recommended a $31,939,000 appropriation for the Bureau of Reclamation, or $2,564,000 more than the Administration asked.

It was one of the few items not cut when the committee sent to the House floor a $772,504,000 measure for foreign relief and other Government activities.

Other Appropriations

Here are other items in the bill in addition to reclamation, foreign aid and army occupation funds:

Beneficiaries for widows of deceased members of Congress, $25,000.

Reconversion unemployment benefits for seamen, $1,300,000.

Miscellaneous expenses of the Social Security Administration, $40,000.

Bureau of Indian Affairs, $200,000, a cut of $250,000 from budget estimates.

Mileage allowance for members of Congress for the current session, $225,000.

DEC -1947

NEW TARIFFS PUT IN EFFECT

Order Is Provisionally Given; Knutson Critical

Washington, Dec. 16 (AP)—President Truman provisionally ordered into effect today, effective January 1, tariff-cutting agreements with seven countries.

He acted after a sharp exchange of letters with Chairman Knutson (R., Minn.) of the House Ways and Means Committee, which Knutson reported to the House with a complaint that the President is keeping Congress "in the dark" about the deals.

The agreements, reached at the recent Geneva Trade Conference, are with Australia, Canada, the Belgium-Netherlands-Luxembourg Customs Union, France and the United Kingdom. Thirteen other nations which agreed there to reciprocal lowering of duties on specific products have yet to ratify the agreements.

Secrecy Charged

Almost simultaneously with the issuance of the President's proclamation, Knutson complained in the House of an "iron curtain of secrecy" around the trade agreements. He assrted that in them the President had "considerably overstepped" the authority Congress gave him, and added:

"He is going to have great difficulty in explaining his actions when the full impact of these radically lowered tariff rate strikes the American farmer, toiler, and producer."

Knutson read the letters he and the President wrote each other.

The Republican lawmaker told the Executive that there are "persistent rumors" that "you will sign all of the concessions . . . of the general agreement regardless of how many nations will have actually formally accepted the agreement."

Calls Reply "Amazing"

He told the President "neither the United Nation's publications nor the documents released by the State Department give any indication of which concessions were made to each individual nation."

Ktutson said Mr. Truman gave him an "amazing reply," and he read the letter as follows:

"Dear Congressman Knutson:

"Replying to yours of December 8, rumors from reliable suorces are not much on which to come to conclusions.

"When the Trade Agreements Act is ready to be approved and implemented you will be informed officially through channels which will have no foundation through rumors."

White House Mum On Big 4 Failure

Washington, Dec. 16 (AP) — The White House declined comment today on the failure of the London Council of Foreign Ministers.

Presidential Press Secretary Charles G. Ross said President Truman was in close touch with Secretary of State Marshall throughout the futile session.

"He was kept fully informed on what was going on," Ross said.

Asked if there was any presidential reaction to the breakup, Ross said, of course, the President had some reaction, but when he was asked to describe it, the press secretary said, "No comment."

Rural U. S. in Dark On Marshall Plan

By The Associated Press.

DES MOINES, Dec. 16—Successful Farming Magazine reported today that its poll of a cross-section of 6,000,000 American farmers disclosed that 52 per cent of them never have heard of the Marshall plan for aid to Europe.

Of the 48 per cent who had heard of the plan, only 11 per cent had an entirely correct conception of it, the magazine said.

DEC -1947

Marshall to Report To Nation Friday

Washington, Dec. 16 (A. P.).—Secretary of State Marshall plans a report to the nation Friday night on failure of the Big Four foreign ministers conference to reach agreement on a European peace settlement.

State Department officials said today that tentative arrangements are being made for a 20 minute radio address to begin probably at 9 P. M., Eastern standard time.

Marshall is expected to arrive from London Friday in President Truman's plane, the Sacred Cow. He made a similar report on his return last April from the Moscow Foreign Ministers Conference which likewise failed.

ENVOY TO SEE TRUMAN

Washington, Dec. 16 (A. P.).—Russia's new Ambassador to the United States has arrived here and is preparing to present his credentials to President Truman.

At the Soviet embassy it was said that the new envoy, Alexandre S. Paniushkin, may go to the State Department later this week for a courtesy call on Under-Secretary Robert Lovet. Appointments for his calls on President Truman and Lovett will be arranged soon, an embassy official indicated.

United States Government officials disclosed meanwhile that one of their first requests to Paniushkin will be for a resumption of the suspended Soviet lend-lease settlement discussions.

He said he and other reserve officers are ready to tell congressional committees that:

1. The manpower of the army is declining "at an alarming rate" because the volunteer system of recruiting has failed.

2. The National Guard, supposed to have 680,000 men ready for any "mobilization-day" emergency, actually has only 200,000 "poorly equipped" troops.

3. The morale of the organized reserves is "so badly shot that I doubt you could get together twenty per cent of the men in an emergency."

Reserves' Condition Cited

Evans said that in the organized reserves only one out of five among the 500,000 officers and only one out of 24 among the 680,000 enlisted men have received any instructions on what to do in a national emergency.

Voice Of America Fund Aid Is Held Possible

Washington, Dec. 16 (AP)—A prediction that "it would be easy" to obtain additional funds now for the Voice of America broadcasts came today from Representative Gathings (D., Ark.).

Praising Administration efforts to inform European people of world conditions, particularly in Russia, and of United States aims, Gathings said he believes Congress would be receptive to the idea of a deficiency appropriation for the State Department's information division if one is necessary.

Gathings said he returned from a tour of Europe last summer convinced that this country should redouble its efforts to counteract Russian propaganda and he thought many other congressmen "had their eyes opened."

Army Seen In Slump As U.S. 'Makes Faces' At Russia

Washington, Dec. 16 (AP)—A leader of the Army's reserve officers declared today this country is "making faces at Russia" with neither the military force nor military planning to back it up.

Brig.-Gen. E. A. Evans, executive director of the Reserve Officers Association, said the nation's defenses are suffering from poor leadership "at the Pentagon"—headquarters of the new National Defense Department.

Alarmed Over Decline

Air Force To Call Reserves To Duty

Washington, Dec. 16 (AP)—The Air Force probably will order an increasing number of reserve officers to active duty between now and next summer as it expands to its projected 401,000-man size, officials said today.

These officials said that on the basis of present figures, a shortage of about 18,000 officers may exist when the authorized enlisted strength is attained. The supply officers from aviation cadet schools, West Point and other sources will be insufficient to provide that many.

Therefore, they said, a large number—probably more than half of the 18,000—presumably must be drawn from the reserve organization.

An average of about 400 reserve officers have been put on active duty for each of the last two months. This number will drop off for the next month or so, officials said.

SYMINGTON WANTS AIR FORCE KEPT UP

Baltimore, Dec. 16 (A. P.).—Terming the world situation not good, W. Stuart Symington, Secretary of the Air Force, declared that the United States must not overlook the present limitations of the United Nations and that there is no substitute for its own strength.

Addressing the Maryland Historical Society last night, the Secretary said the Air Force would prefer to recruit pilots from the United States Military and Naval academies, rather than establish an academy of its own. He said he hoped one-third of the air cadets would come from West Point, one-third from Annapolis, and the remainder from the National Guard, college flying units, and the enlisted ranks of the armed services.

But in the event the air arm is unable to obtain a large enough pro-rata share of cadets, Symington continued, an air university would then be built. He said such an academy would probably be located somewhere in the middle of the country.

Nazi-Broadcast Figure, Best, Wants New Judge

Boston, Dec. 16 (AP)—Robert H. Best, former American newsman who is preparing his own defense against charges of treason for alleged wartime Nazi broadcasts, now wants a new judge in his case.

Best, who has appeared in court with a number of requests regarding his forthcoming trial, today filed an affidavit charging that Federal Judge Francis J. W. Ford "showed prejudice against the defendant."

Judge Ford, who has sat on pretrial motions by Best, is the judge who sentenced Douglas Chandler to life imprisonment after his conviction of treason as the Nazi "Paul Revere" of propaganda broadcasts.

FORMER SOVIET AID TAKES FIRST ROUND

Washington, Dec. 16 (A. P.).—Viktor A. Kravchenko, former Soviet official in Washington, who has publicly renounced communism, won the first round today in his fight against deportation to Russia.

The House Judiciary Committee, headed by Representative Michener (R.-Mich.), approved a bill by Representative Coudert (R.-N. Y.), to waive the exclusion provisions of United States immigration laws applicable to Kravchenko as a former Communist party member.

The bill, scheduled to be filed later today, probably will come up for House action early in January. Under its terms, Kravchenko would be recognized as a permanent resident, as of August 18, 1943, when he came to this country, and would be eligible to apply for American citizenship two years after the bill is passed.

Russia has demanded the return of Kravchenko, former Soviet Purchasing Commission agent here, who wrote a book, "I Chose Freedom," after he broke with communism in 1944. He testified before the House committee on un-American activities last July that all responsoole Soviet officials in this country are spies and said that he fears for his life if he is not given American citizenship.

At that time Coudert and Representative Mundt (R.-S. D.) said that Kravchenko had rendered "enormous" services to the United States.

Foreign Trade Increases.

Washington, Dec. 16 (A. P.).—The Census Bureau reported today that exports increased during October in all classes of commodities except crude foodstuffs, notably wheat, while imports increased in all classes except crude materials.

Eisler Is Stopped by Snowballs

Michigan University Students Prevent Red From Speaking at Ann Arbor.

Detroit, Dec. 16 (A. P.).—Gerhart Eisler, described by the House Committee on Un-American Activities as the nation's No. 1 Communist, addressed a group of Wayne University collegians here last night after snowball-hurling University of Michigan students had prevented his planned appearance at Ann Arbor.

Accompanied by Carl Aldo Marzani, Eisler passed up the Ann Arbor meeting after watching a crowd estimated by the police at 2,500 mill about in a snowstorm awaiting his arrival. He met a handful of students at a private rooming house, but about 200 others followed him there, pelted the building with snowballs, and eventually forced an entrance.

Police Stand By.

Policemen stood by to prevent any further disturbances, and neither Eisler nor his companion was harmed.

Before his Detroit appearance the police reported detaining four teen-age members of the Michigan National Guard. They said that the four admitted having tear gas and smoke bombs in their possession at Craftsman Hall, where Eisler and Marzani addressed the Collegian Club, a student group not officially sanctioned by Wayne University. The police said that the guardsmen told them they intended to "break up the meeting."

A spokesman for the Craftsmen's group said that he did not know Eisler and Marzani were to appear when he authorized the use of the hall. He said that the Collegian Club would not be permitted to meet there again. Wayne officials previously had refused permission for a campus meeting.

South Dakota Gets 2 Lakes From WAA

Washington, Dec. 16 (AP)—The State of South Dakota now owns two pieces of war surplus property consisting of water.

They are known as Twin Lakes and they lie near Howard, in the eastern part of the State.

As related by Representative Mundt (R., S.D.), it seems that the State wanted to stock the lakes with fish and plant a few trees around the edges for the benefit of anglers.

However, the lakes belonged to the Fish and Wildlife Service of the Interior Department and, Government red tape being what it is, the State couldn't touch them.

In order to save the time required to bring about even simple acts of Congress, Mundt went into a huddle with Interior Department lawyers.

The solution: The lakes were transferred to the War Assets Administration as war surplus. The WAA gave them an honorable discharge and handed them over to South Dakota under a provision of the law permitting free transfer of war surplus property to the states.

DEC -1947 30.24- 14287

TWO WAA AIDS RESIGN POSTS

Congressman Rizley Said Both Should Be Fired.

Washington, Dec. 16 (A. P.).—Two officials of the War Assets Administration who Representative Rizley (R.-Okla.) said should be "fired," have turned in their resignations to WAA administrator Jess Larson.

The officials are John M. Carey, deputy administrator of the Aircraft and Electronics Disposal Division, and Herschel Benedict, associate deputy administrator of the same division. Larson has not yet acted on their resignations.

Brig.-Gen. James Mollison, WAA associate administrator who was similarly criticized by Rizley, is leaving the agency tomorrow to resume active duty in the Air Force. A WAA spokesman told a reporter that Mollison's plan to leave WAA has been known for "at least six weeks."

Rizley, chairman of the House Surplus Property Committee urged discharge of the three after they testified before the committee Friday night that the head of a WAA sales agency in Lakeland, Fla., had helped them or was helping them obtain new automobiles.

Mollison testified that he purchased a Chrysler at the regular retail price from a Washington dealer, with the assistance of A. I. Lodwick, head of the Lakeland Agency.

All three of the officials contended they believed there was nothing wrong in their actions, and denied doing any favors for Lodwick. They said the agent expected none.

Carey said he was using, "on loan," a 1947 Packard belonging to Lodwick, while awaiting a new Cadillac which Lodwick planned to buy for him at the regular price.

Benedict said he purchased a new Pontiac from a Washington firm after Lodwick talked to the dealer. He said he later sold the car and bought a used 1947 Cadillac from the Lakeland man.

GERMAN PLANT SHIFTS BACKED

Clay Says Transfer Will Aid Overall Recovery

Washington, Dec. 16 (AP)—Gen. Lucius D. Clay, American commander in Germany, has informed the Army that the transfer of some plants from Germany to neighboring countries will aid the overall recovery plan in Europe.

The Army made public today partial contents of a report by Clay to Kenneth C. Royall, Secretary of the Army. In it Clay discussed the proposed dismantling of factories for removal to various countries—including France, Belgium and the Netherlands—and commented on the prospective productive capacity of the combined British-American zone.

The Army announcement contained no names of specific plants or figures on estimated production.

Surplus To Output Level

Clay said that the plants listed for dismantling are surplus to the level of production adding that "at the present time and for at least three or four years, there is no prospect that supplies of fuel power and raw materials will be sufficient to permit the operation of these plants."

Then he commented:

"By removing these plants to countries which can utilize them effectively during the next few years it will become possible for these facilities to make a substantial contribution to general European recovery. If they were retained in the bizonal area they could make no such contribution because they would either standle or reduce the overall operating efficiency of the industry of which they are a part."

Army Saves Many in Japan

WASHINGTON, Dec. 16 (AP)—The Army estimates its relief programs in Japan have saved from 10,000,000 to 12,000,000 lives. Testifying before the House Appropriations Committee in support of additional funds for the work, William H. Draper Jr., Under-Secretary of the Army, said it was "generally credited by the Japanese population" that many lives had been saved.

ITALIAN BOND BAN WILL END

SEC Announces Trading May Begin About December 22

Philadelphia, Dec. 16 (AP)—Trading in Italian securities will be permitted in the United States on or about December 22, ending a seven-year war-created ban.

The Securities and Exchange Commission announced the end of the trading restriction as the Italian Government and two of its agencies registered $131,971,700 of new bonds with the agency.

Suspension of trading in securities of Axis countries on all United States stock exchanges occurred when this country entered the second World War.

The SEC then requested brokers and dealers in this country to halt transactions in such securities unless commission approval was obtained.

Certain Securities Covered

The securities covered in the Italian registration statement will be offered in exchange for certain outstanding dollar bonds of the Kingdom of Italy, the cities of Rome and Milan and certain Italian corporations and institutions. The exchange, in each case, will be in an amount equal to the principal amount of the bonds surrendered plus unpaid interest.

Following are the securities included in the registration:

1. $39,651,900 of bonds issued by the Italian Republic.
2. $37,243,200 of bonds issued by the credit consortium for public works and guaranteed by the Republic of Italy.
3. $55,076,600 of bonds issued by the public utility credit institute and guaranteed by the Italian Republic.

Atomic Unit Approves $615,000 For Rochester

Washington, Dec. 16 (AP)—The Atomic Energy Commission approved today expenditure of $615,000 to provide a center at the University of Rochester, N.Y., for training doctors and technicians in meeting problems of atomic energy development.

The money will be used, the commission said, to build and equip a six-story medical and biological training and research center.

Two floors of the building are to be devoted to a commission-financed education program for medical doctors, biologists and health physicists.

There the doctors will receive postgraduate training in treatment of radiation sickness, use of radio-isotopes for tracer studies and therapy, and instruction in a variety of topics including pharmocolgy and toxicology of radioactive materials and principles of shielding.

Radiation Therapy

Another two floors will be allotted to continuation of the university's present medical research program being conducted under contract with the commission. The program now is concentrated on medical and biochemical aspects of radioactive substances.

The ground floor of the building, to be built adjacent to the university's school of medicine and dentistry, will be used as a radiation therapy and humor clinic, and the sixth floor for elective research by doctors in training, the commission said.

U.S. Warcraft To Visit South American Port

Washington, Dec. 16 (AP)—The Navy is planning to send two warships on a training cruise to a South American port, it announced today.

Earlier reports from Buenos Aires said that an Argentine port was to be visited, but the Navy announcement did not say so. Withholding the name of the port, it explained that diplomatic clearance is yet to be received.

The 13,600-ton heavy cruiser Albany and a destroyer will leave Norfolk January 4 with some 400 reserve officers and men. They will return February 10.

House Votes to Extend G. I. Policy Renewals

WASHINGTON, Dec. 15 (AP).—A bill extending until Dec. 31, 1948, the period for reinstating war veterans' life insurance was passed today by the House and sent to the Senate. Lapsed policies could be reinstated without a physical examination. The reinstated privilege is now due to expire Jan. 1.

Earlier, the House Veterans Committee had been told by Harold W. Breining, Assistant Veterans Administrator for Insurance, that kinks in handling insurance are rapidly being ironed out and that the next thirty or sixty days "will find us in a reasonable situation."

1918 'War Bride' To Leave For U.S.

Portland, Ore., Dec. 16 (AP)—Miss Amy Graham, 50, of Chester, England, will sail from England Thursday as a war bride of the war that ended 29 years ago.

She met Kindle C. Satterlee, 51, Portland, in Liverpool in 1918, when he was a private first class in the United States Army.

Then Satterlee married her friend, Ethel Tenfold, who kept up a correspondence with Miss Graham until two years ago when Ethel died here. Satterlee assumed the correspondence and last April he proposed.

Her passport designation is "war bride." She will arrive in New York December 27 and in Portland New Year's Eve.

By Joseph E. Dynan

London, Dec. 16—(AP)—France has finally climbed down from the

fense on the side of the western powers as the barriers between east and west

n Europe rose higher and higher, well-informed French circles agreed today

follo[w]ing the breakdown of the London foreign ministers conference.

France's position is a natural extension of the three-power

DEC -1947

talks at Paris last summer when France and Britain went ahead in drafting a European response to Secretary of State Marshall's offer of a plan for European recovery after Russia refused to join them.

DEC -1947

Her course in foreign relations corresponds with the turn in her domestic policy ~~since~~ in which the government reacted strongly in dealing with the ~~last~~ communist-inspired strike wave. The two shifts in policy , foreign and domestic, are being carried out by leaders of the catholic, moderately leftist popular republican movement (prm), premier Robert Schuman and foreign minister georges bidault.

In the foreign ministers conference just closed, Bidault made perhaps his last effort at mediation between east and west. He made it in proposing a new formula for determining Russian reparations, and he warned when he made the proposal that France would not necessarily continue to support it.

Before the conference, France's foreign policy was based on ~~xxiwasfshdisfuxxxxxxxx~~ two fundamentals. The first was a set of French projects regarding Germany. The other was the group of issues on which France sought to bridge the gulf between Russia and the western powers.

DEC -1947

Not, most observers agree, French policy will be based only on the first.

The group of issues comprised in this policy include first the question of merging the french occupation zone in Germany with the Anglo-American zones. Others include the economic control of the Ruhr, the future political regime of western Germany, reparations, frontiers, industrial levels and French security.

Most french officials expect negotiations in the near future on the question of fusion of zones. Full agreement may not come without effort, but french officials take for granted a goodwill on all sides which will lead to a relatively prompt accord.

France wants international economic control of the Ruhr under a special economic regime. The British lean towards some sort of socialisation

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The Americans want to encourage german management enterprise.

The French oppose setting up a western German government and would rather encourage local German loyalties by establishing a loose federation.

On reparations, the French foresee no great difficulties with Britain and the United States. They favor the removal of capital goods, both as a means of limiting German industrial activity and of rebuilding her on economy.

DEC -1947

Tied with zonal fusion is the most ticklish problem--that of a allied security pact against German rearmament, the so-called Byrnes treaty. ~~Mr~~ James F. Byrnes, when secretary of state, proposed this as a four-power pact, but now the question arises whether it might be negotiated as a three-power treaty. Most Frenchmen think Russia would regard such a treaty as aimed at Moscow rather the Soviet Union, rather than Germany, and feel that they would be left in an exposed front position ~~vis-a-vis Russia~~. regarding Russia, both in a physical and a psychological sense.

Bidault is on record as opposing even a limited industrial revival in Germany unless it is accompanied by two things--international economic

DEC -1947

control of the ruhr and an allied pact guaranteeing French security.

On frontiers, the French predict quick agreement among the three western powers on their demand for the economic incorporation of the saar valley with France.

the other issue important to France concerns German coal production. France would like to obtain a fixed ration of coal and coke from Germany for her own industrial rehabilitation. Britain and the United States have agreed to establish a sliding scale of coal exports to France as German production rose. France wants to extend this to give her a greater percentage up the line.

DEC -1947

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LONDON, DEC 16-(AP)-A MOSCOW BROADCAST QUOTING PRAVDA SAID TODAY "INVETERATE HITLERITES" IN THE ANGLO-AMERICAN ZONES OF GERMANY WERE "SETTING UP RECRUITMENT CENTERS AND UNDERGROUND RENDEZVOUS FOR FORMER SS AND SA TROOPERS" FOR SERVICE IN GREECE, TURKEY, INDO-CHINA, INDONESIA AND SOUTH AFRICA.

THE ARTICLE SAID RECRUITING "OF HITLERITES TO FIGHT THE REPUBLICANS IN INDONESIA" BEGAN IN 1946 IN THE AMERICAN ZONE UNDER "THE GUISE OF FORMING A MILITARY LEGION TO GUARD INDUSTRIAL ESTABLISHMENTS."

"BUT VERY SOON," PRAVDA DECLARED, "IT TRANSPIRED THAT THE LEGION WAS INTENDED FOR VERY DIFFERENT PURPOSES. NEW BATTALIONS WERE SOON SENT TO JAVA. ARMS, AMMUNITION, WAR MATERIAL, AMERICAN SUPERVISORS AND INSPECTORS ALSO STARTED ARRIVING THERE IN BRITISH SHIPS. THESE BATTALIONS WENT TO FORM A SO-CALLED SECOND FOREIGN MOTORIZED DIVISION, CONSISTED CHIEFLY OF GERMANS."

PRAVDA SAID "A TURK" SERVED AS RECRUITING AGENT AT BRITISH OCCUPATION HEADQUARTERS AND WAS "RECRUITING GERMAN MILITARY TECHNICIANS TO MASTER AMERICAN GUNS AND TOMMY GUNS WHICH HAVE BEEN BROUGHT TO TURKEY."

"GERMAN EXPERTS ARE BEING LURED TO TURKEY WITH PROMISES OF RECEIVING AMERICAN CITIZENSHIP AFTER FOUR YEARS OF 'CONSCIENTIOUS SERVICE'", THE PAPER SAID.

DEC -1947

SW509PES

LONDON, DEC. 16-(AP)-SOVIET FOREIGN MINISTER VYACHESLAV M.MOLOTOV LEFT NORTHOLT AIRPORT BY PLANE AT 9:26 A.M. (4:26 A.M. EST) TODAY FOR BERLIN. HE IS ENROUTE TO MOSCOW AFTER THE COLLAPSE YESTERDAY OF THE CONFERENCE OF BIG FOUR FOREIGN MINISTERS.

(EDS: MAY BE INSERTED IN BIG FOUR BUDGET, IF DESIRED.)

VS441AES

LONDON, DEC.16-(AP)-GEN.LUCIUS D.CLAY, U.S.OCCUPATION COMMANDER IN GERMANY, SAID TODAY IN AN INTERVIEW HE "EXPECTED AND HOPED" THE ALLIED CONTROL COUNCIL TO CONTINUE FUNCTIONING IN BERLIN DESPITE FAILURE OF THE LONDON COUNCIL OF FOREIGN MINISTERS

B557PES

LONDON,DEC.16-(AP)-REPRESENTATIVES OF THE UNITED STATES, GREAT BRITAIN, FRANCE AND ITALY SIGNED A PROTOCOL TODAY PERMITTING ITALY TO RECEIVE A SHARE OF THE GOLD HOARD LOOTED BY GERMANY DURING THE WAR.

THE PROTOCOL CARRIED OUT A DECISION OF THE PARIS CONFERENCE ON REPARATIONS IN 1946 THAT ITALY SHOULD RECEIVE A SHARE OF THE GOLD SEIZED BY THE ALLIED ARMIES.

A TOTAL OF 8,386 POUNDS OF GOLD ALREADY HAS BEEN SET ASIDE BY A TRIPARTITE COMMISSION AS ITALY'S SHARE IN PRELIMINARY DISTRIBUTION, WITH MORE TO FOLLOW.

THE FOREIGN OFFICE ANNOUNCED THAT BRITAIN, THE UNITED STATES AND FRANCE HAD AGREED THAT ITALY SHOULD RECEIVE A VOQORTIONATE SHARE OF THE GOLD ON AN EQUAL BASIS WITH OTHER COUNTRIES SIGNING THE REPARATIONS ACT, PROVIDED THAT 50,692 POUNDS (APPROXIMATELY $22,814,000) BE SET ASIDE FROM ITS SHARE TO BE PAID TO FRANCE AND YUGOSLAVIA AS REPARATIONS UNDER THE PEACE TREATY.

BJ1209PES

LONDON, DEC.16-(AP)-THE MINISTRY OF SUPPLY SAID TONIGHT THE GOVERNMENT WAS LIFTING TOMORROW RESTRICTIONS ON DOMESTIC LICENSES TO BUY TIN AND AT THE SAME TIME RAISING THE DELIVERED PRICE TO BRITISH CONSUMERS BY £73 ($292). THIS WOULD BRING THE TOTAL PRICE TO A RECORD HIGH OF £510 ($2,040) A TON.

WW844PES

BERLIN, DEC.16-(AP)-COL.FRANK HOWLEY, DIRECTOR OF AMERICAN MILITARY GOVERNMENT FOR BERLIN, SAID TODAY THE UNITED STATES HAD NO INTENTION OF WITHDRAWING FROM THIS FOUR-POWER CITY DESPITE THE FAILURE OF THE FOREIGN MINISTERS COUNCIL.

"WE HAVE AN INVESTMENT IN DEMOCRACY TO PROTECT HERE," HE SAID, AND "FURTHERMORE, AMERICANS DO NOT CONSIDER THEY ARE HERE AS A RESULT OF ANYONE'S GENEROSITY BUT BECAUSE OF AN ALLIED AGREEMENT."

B549PES

FRANKFURT, GERMANY, DEC.16-(AP)-THE BREAKUP OF THE LONDON CONFERENCE OF FOREIGN MINISTERS WAS THE CHIEF TOPIC OF CONVERSATION OF THE MAN IN THE STREET TODAY IN THIS BI-ZONAL CAPITAL OF WESTERN GERMANY.

DEC -1947

ILLUSTRATING THE SURPRISE WITH WHICH THE NEWS WAS RECEIVED HERE, THRONGS BESIEGED TRAVEL BUREAUS TO INQUIRE WHETHER RAILWAY COMMUNICATIONS WITH THE RUSSIAN-OCCUPIED EASTERN ZONE WERE STILL FUNCTIONING.

TRANSPORTATION AUTHORITIES AND THE LOCAL RAILWAY ADMINISTRATION CONFIRMED THAT TRAIN SCHEDULES BETWEEN THE TWO ZONES WERE NORMAL.

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THE GERMANS ARE AWAITING ONLY A GO-AHEAD SIGNAL FROM THE ALLIED MILITARY AUTHORITIES. IT IS EXPECTED BY MANY OBSERVERS THAT THE GO-AHEAD MAY BE GIVEN THEM FRIDAY OR SATURDAY WHEN GEN.LUCIUS D.CLAY, AMERICANMILITARY GOVERNOR, IS SCHEDULED TO VISIT FRANKFURT FOR A MEETING OF THE BIZONAL ECONOMIC COUNCIL. FRANKFURT-XXX STATUTE

CLAY AND GEN.SIR BRIAN ROBERTSON, HIS BRITISH OPPOSITE WHO ALSO IS EXPECTED HERE, PROBABLY WILL TELL THE GERMANS THAT THEY CAN ORGANIZE THE COUNCIL ON A POLITICAL BASIS, AMERICAN OBSERVERS BELIEVE. HERETOFORE FORMATION OF A CENTRAL POLITICAL ORGANIZATION IN THE ECONOMICALLY-MERGED ZONES--WHICH HAVE A COMBINED POPULATION OF ABOUT 40,000,000--HAS BEEN STRICTLY FORBIDDEN.

DEC -1947

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DEC -1947

Paris, Dec. 16—(AP)—The French National Assembly, with Communist members abstaining, voted its thanks to the United States for food contributions to the "Friendship Train."

TODAY

DEC -1947

The Victory ship American Leader, carrying over 4,000 tons of food donated by the American people to France in the course of the train's recent trans-continental American trip, is due at Le Havre late tonight. It is 24 hours late, due to Atlantic storms. Capt. A. C. Smithies radioed offices of the United States Lines that he would dock at 5 a. m., EST, tomorrow.

After the National Assembly vote had been taken, Edouard Herriot, assembly president, [redacted] congratulated fellow members on their action, telling them that the American people "do not hesitate to deprive themselves of things for the sake of Europe."

MME

Madame Germaine Poinso-Chapuis, French public health minister, and U.S. Ambassador Jefferson Caffery will be at Le Havre tomorrow to welcome the ship.

PARIS, DEC 16-(AP)-FOUR LEADING GROUPS SEEKING A UNITED STATES OF EUROPE HAVE CONSTITUTED A SINGLE "INTERNATIONAL COMMITTEE OF MOVEMENTS FOR EUROPEAN UNITY."

DUNCAN SANDYS, FORMER BRITISH MINISTER OF WORKS, WAS CHOSEN PRESIDENT.

THE FOUR COOPERATING GROUPS ARE: THE FRENCH COUNCIL FOR A UNITED EUROPE, WHOSE HEAD IS EDOUARD HERRIOT, PRESIDENT OF THE NATIONAL ASSEM

DEC -1947

BLY; THE INDEPENDENT LEAGUE FOR EUROPEAN UNITY, HEADED BY PAUL VAN ZEELAND, FORMER BELGIAN PRIME MINISTER; THE UNITED EUROPE MOVEMENT, HEADED BY WINSTON CHURCHILL, AND THE EUROPEAN UNION OF FEDERALISTS.

REPRESENTATIVES OF THE FOUR GROUPS, MEETING HERE, DECIDED TO COORDINATE THEIR ACTIVITIES. OFFICES WILL OPEN SOON IN PARIS AND LONDON.

SANDYS SAID PLANS HAVE BEEN LAID FOR THE COMMITTEE'S WORK IN 1948 AND WILL BE ANNOUNCED WITHIN A FEW DAYS. ITS PURPOSE, HE ADDED, WILL BE TO "RALLY ALL MEN AND WOMEN OF ALL PARTIES OR WITHOUT POLITICAL AFFILIATION, EXTENDING OUR RANGE OF ACTION TO THE GREATEST POSSIBLE NUMBER OF COUNTRIES."

THE CAMPAIGN WILL REQUIRE, CONSIDERABLE FUNDS, SANDYS SAID, BUT SOME MONEY HAS ALREADY BEEN PROMISED, "AND WE SHALL NOT BE HALT BY LACK OF MATERIAL RESOURCES."

SW1249PES

Paris, Dec. 16-(AP)-French police said today they had released Herbeth Zwig, 29, U.S. war department employee arrested with 11 persons [redacted] on illegal dealings in foreign currency. Army authorities recently [redacted] Zwig, a Viennese and [redacted] naturalized American.

Hartman-0135 apr ** 1330

SOURCES AT THE BRITISH LEGATION SAID BRITISH NOTES SIMILAR TO THOSE PRESENTED TO THE HUNGARIAN FOREIGN MINISTRY BY U.S. COUNSELOR WILLIAM P.COCHRAN,JR., ARE BEING PREPARED. THE EXACT SUM OF HUNGARIAN CURRENCY RETURNED BY THE BRITISH FORCES, HOWEVER, WAS NOT DISCLOSED. BUDAPEST- DELUGE XXX PREPARED

THE FOREIGN MINISTRY DECLINED TO COMMENT ON WHAT FORMALITIES HAD BEEN UNDERTAKEN BY THE SOVIET UNION IN CONNECTION WITH HUNGARY'S ASSUMPTION OF SOVEREIGNTY YESTERDAY IN ACCORDANCE WITH THE PEACE TREATY OR OF THE STATUS OF SOVIET FORCES HERE.

QQ1052AES

ATHENS, DEC 16-(AP)-PRESS REPORTS FROM NORTHERN GREEK ARMY HEADQUARTERS AT VOLOS TODAY SAID MORE THAN 100 GUERRILLAS WERE CAPTURED WITH LARGE QUANTITIES OF SUPPLIES AS THEY CAME FROM MOUNT GRAMMOS ON THE ALBANIAN BORDER.

ANOTHER GUERRILLA BAND, 100 STRONG, ATTACKED A VILLAGE WEST OF ARGOS ON THE PELOPONNESUS, KILLING 17 CIVILIANS. THE GUERRILLA LOSSES WERE PUT AT SIX DEAD AND SEVEN WOUNDED.

DN758AES

DEC -1947

SALONIKA, GREECE, DEC.16-(AP)-ONE OF THE CHIEF DELEGATES ON THE UNITED NATIONS SPECIAL COMMITTEE ON THE BALKANS SAID TODAY THAT ANY DECLARATION OF A "DEMOCRATIC" STATE BY GREEK COMMUNISTS SEEKING OPEN SUPPORT OF STATES IN THE RUSSIAN SPHERE WOULD BE A "MENACE TO PEACE IN THE EYES OF UNSCOB," NECESSITATING A SPECIAL SESSION OF THE U.N. GENERAL ASSEMBLY.

A TASS DISPATCH FROM ROME YESTERDAY SAID NICHOLAS ZACHIARADES, GREEK COMMUNIST LEADER, HAD PREDICTED IN A RADIO BROADCAST THAT "THE CREATION OF A FREE DEMOCRATIC GOVERNMENT IN FREE GREECE IS A MATTER OF THE NEXT FEW DAYS."

THE UNSCOB MEMBER, WHO COULD NOT BE IDENTIFIED BY NAME, SAID IT IS IMPOSSIBLE FOR U.N. TO SEAL GREECE'S NORTHERN FRONTIER BECAUSE AN "INTERNATIONAL POLICE FORCE STILL REMAINS A THEORY AND NOT AN ACTUALITY."

HE ADDED IT IS NECESSARY TO ESTABLISH SEVEN BORDER OBSERVATION TEAMS TO DETERMINE WHETHER RELATIONS BETWEEN THE BALKAN STATES ARE "NEIGHBORLY AND DIPLOMATIC." IF UNSCOB DECIDES THE SITUATION IN THE BALKANS IS A "THREAT TO THE PEACE," HE CONTINUED, A SESSION OF THE GENERAL ASSEMBLY WILL BE CALLED.

QQ923AES

BY JOSEPH C.GOODWIN

JERUSALEM, DEC.16-(AP)-HAGANA, THE JEWISH DEFENSE ARMY, CLAIMED TODAY TO HAVE TRAPPED AND "DESTROYED" A LARGE FORCE OF ARABS IN AN ENCOUNTER FIVE MILES NORTH OF PETAH TIQVA.

A HAGANA SPOKESMAN SAID THE ARABS, BELIEVED TO BE A SCOUTING PARTY FROM THE ARAB VILLAGE OF TULKARM, WERE FIRST SIGHTED NORTH OF TEL AVIV. THEY WERE PURSUED NORTHWARD AND TOOK REFUGE IN A GROUP OF ABANDONED HOUSES WHERE HAGANA FIGHTERS SURROUNDED THEM, THE SPOKESMAN SAID.

THERE WAS NO CONFIRMATION OF SUCH A CLASH FROM ARAB SOURCES.

IN JERUSALEM TONIGHT TWO BRITISH POLICE SERGEANTS WERE SERIOUSLY WOUNDED BY GUNFIRE. THERE WERE CONFLICTING POLICE REPORTS OVER THE ORIGIN OF THE ATTACK. ONE SAID THAT "PROBABLY" JEWS FIRED AT THE POLICE, WHILE ANOTHER BLAMED THE ATTACK ON ARABS IN A STOLEN ARMORED CAR.

DEC -1947

THE OUTBURST OF VIOLENCE IN JERUSALEM CAME AT THE END OF A COMPARATIVELY QUIET DAY IN THE HOLY LAND. FOUR NEW DEATHS WERE REPORTED, THREE FROM WOUNDS SUSTAINED IN PREVIOUS CLASHES, AND THE UNOFFICIAL DEATH TOLL SINCE THE UNITED NATIONS DECISION TO PARTITION PALESTINE MOUNTED TO 254.

HAGANA AND THE ARAB "PEOPLE'S ARMY," AS YET UNNAMED, APPEARED TO BE SPARRING FOR OPENING HOLDS IN THE STRUGGLE OVER THE CREATION OF AN INDEPENDENT JEWISH STATE.

HAGANA GUNS CONTINUED A TWO-DAY DUEL WITH ARAB SNIPERS IN TEL ERRESH, SOUTH OF TEL AVIV. WITHDRAWAL OF BRITISH AND ARAB POLICE FROM TEL AVIV WAS COMPLETED THIS AFTERNOON AND HAGANA SECURITY FORCES OPERATED UNHAMPERED.

ONE OF HAGANA'S FIRST DUTIES WAS DIRECTION OF A FUNERAL FOR 12 JEWS SLAIN BY GUNS OF TRANS-JORDAN'S ARAB LEGION SUNDAY IN BEIT NABALA. THE LEGION IS ON POLICE DUTY IN PALESTINE FOR THE BRITISH. AN ESTIMATED 20,000 JEWS FOLLOWED THE PROCESSION, WHICH WAS ROUTED THROUGH SIDE STREETS BECAUSE, SAID A HAGANA SPOKESMAN, "WE ARE NOW AT WAR AND WE DO NOT WANT TO AROUSE TEARS AND MOURNING."

ADVICES FROM ARAB CENTERS OVER THE MIDDLE EAST INDICATED THE ARAB DRIVE FOR MEN AND MONEY TO FIGHT THE PARTITION OF PALESTINE WAS GAINING IMPETUS.

A "DECISIVE" ANNOUNCEMENT WAS PROMISED AFTER THE CLOSING SESSION OF THE ARAB LEAGUE CONFERENCE IN CAIRO TODAY.

THE LEBANESE GOVERNMENT REQUISITIONED THREE BUILDINGS IN SIDON WHICH INFORMANTS SAID WOULD BE HEADQUARTERS FOR ARAB FORCES OPERATING AGAINST PALESTINE JEWS.

OTHER VIOLENCE REPORTED DURING THE DAY IN PALESTINE INCLUDED THE FIRING OF A NUMBER OF HOUSES IN THE TEL AVIV-JAFFA BORDERLAND AREA. JEWISH SOURCES SAID THE WATER PIPELINE TO THE NEGEB (SOUTHERN DESERT) HAD BEEN SABOTAGED DURING THE NIGHT.

B524PES

TOKYO,DEC.16-(AP)-SHIGENORI TOGO WAS DESCRIBED AT HIS WAR CRIMES TRIAL TODAY AS A DIPLOMAT WHO OPPOSED AGGRESSION BUT WHOSE DESIRES FOR PEACE CONTINUALLY WERE FRUSTRATED BY MILITARISTS OR UNEXPECTED EVENTS.

DEFENSE WITNESSES FOR THE FORMER FOREIGN MINISTER TOLD THE INTERNATIONAL TRIBUNAL THAT TOGO OPPOSED JAPAN'S ABROGATION OF THE NAVAL ARMAMENT LIMITATION PACT OF 1935.

DEC -1947

TAKAJIRO INOUE, CHIEF OF THE ECONOMIC SECTION OF THE OCCUPATION GOVERNMENT'S FOREIGN OFFICE, TESTIFIED THAT TOGO TRIED TO PERSUADE THE JAPANESE NAVY TO MAKE PUBLIC ITS WARSHIP BUILDING PROGRAM BUT WAS REBUFFED. INOUR WAS A FOREIGN OFFICE EMPLOYE BEFORE THE WAR.

ANOTHER FOREIGN OFFICE EMPLOYE, MORITO MORISHIMA, TESTIFIED THAT TOGO OPPOSED THE 1937 ANTI-COMINTERN PACT WITH GERMANY AND ITALY BUT WAS FORCED TO DRAFT THE TREATY.

WAR TRIALS AT NEARBY YOKOHAMA ENTER THEIR THIRD YEAR TOMORROW. CASES AGAINST 430 JAPANESE HAVE BEEN COMPLETED THERE, 33 DEFENDANTS RECEIVING DEATH SENTENCES. THERE WERE 19 ACQUITTALS AND ONE SUSPENDED SENTENCE.

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BY KRIS KREEGER

HAVANA, DEC 16-(AP)-THE CRITICAL QUESTION OF VOTING IN THE PROPOSED INTERNATIONAL TRADE ORGANIZATION APPEARED NEAR A SOLUTION TODAY FOLLOWING AMERICAN ACCEPTANCE OF THE PRINCIPLE OF ONE BALLOT FOR EACH NATION.

THE UNITED STATES' SWING FROM PREVIOUS ADVOCACY OF "WEIGHTED" VOTING WAS GENERALLY INTERPRETED AS A REALIZATION THAT THE SMALLER COUNTRIES, WHICH COMPOSE THE BULK OF THE PROSPECTIVE ITO MEMBERSHIP, COULD NOT BE MADE TO SWALLOW ANY FORMULA EXCEPT EQUALITY.

LEROY D. STINEBOWER MADE KNOWN THE UNITED STATES SHIFT YESTERDAY IN A MEETING OF A SUBCOMMITTEE OF THE ORGANIZATION COMMITTEE OF THE HAVANA TRADE CONFERENCE, WHICH IS WORKING ON A CHARTER FOR THE ITO.

STINEBOWER EXPRESSED HOPE THE AMERICAN ACTION WOULD HELP SPEED THE WORK OF THE CONFERENCE, AND SAID, "IF ANY DELEGATION FELT THAT WEIGHTED VOTING WAS AN OBSTACLE TO ITS ACCEPTANCE OF SOME ARTICLE OF SUBSTANCE, THAT OBSTACLE CAN NOW BE REMOVED."

THE "WEIGHTED VOTING" SYSTEM WOULD ALLOW DIFFERENT VALUES TO THE VOTES OF DIFFERENT COUNTRIES, ACCORDING TO A FORMULA BASED ON POPULATION, WEALTH AND AMOUNT OF FOREIGN TRADE. THE UNITED STATES WOULD HAVE HAD THE HIGHEST WEIGHTED VOTE AND THE UNITED KINGDOM NEXT.

DEC -1947

THE UNITED KINGDOM, WHICH ALSO HAS STOOD FOR WEIGHTED VOTING THUS FAR, DID NOT MAKE ITS POSITION KNOWN IN THE SUBCOMMITTEE.

THE ISSUE OF "FREEDOM OF INFORMATION" AT THE CONFERENCE CONTINUED LIVELY WITH A STATEMENT BY DR. DIEGO LUIS MOLINARI, CHIEF ARGENTINE DELEGATE, THAT HE WOULD OPPOSE THE CENSORSHIP PLAN ADOPTED SATURDAY WHILE HE WAS ABSENT.

MOLINARI, WHO RETURNED YESTERDAY AFTER A TRIP TO BUENOS AIRES TO CONFER WITH HIS GOVERNMENT, TOLD A NEWSPAPERMAN THAT HIS FIRST PLAN WAS "TO PROTEST THE ESTABLISHED CENSORSHIP."

SATURDAY THE CONFERENCE STEERING COMMITTEE ADOPTED A BRITISH PROPOSAL TO REQUIRE APPROVAL OF SUBCOMMITTEE CHAIRMEN BEFORE RELEASES CAN BE MADE ON ACTIVITIES IN THE SUBCOMMITTEES, WHERE MOST OF THE CONFERENCE WORK IS BEING DONE.

THE NEW SYSTEM SLOWED DOWN NEWS COVERAGE OF TWO OF THE SIX SUB-COMMITTEES WHICH MET YESTERDAY. ONE CHAIRMAN TOOK FOUR HOURS TO APPROVE A RELEASE, ANOTHER SAID HE WANTED TO THINK ABOUT IT OVERNIGHT. THE OTHER FOUR CHAIRMEN IMMEDIATELY APPROVED THE RELEASES DRAWN UP BY UNITED NATIONS PRESS STAFF REPORTERS, WHO ARE THE ONLY NEWSGATHERS ALLOWED IN SUBCOMMITTEE MEETINGS.

M334AES

UNDATED BIG FOUR

BY THE ASSOCIATED PRESS

THE UNITED STATES, GREAT BRITAIN AND FRANCE STARTED TENTATIVE PLANS TODAY FOR AN ECONOMIC CONSOLIDATION OF WESTERN GERMANY FOLLOWING THE SUDDEN COLLAPSE OF THE CONFERENCE OF FOREIGN MINISTERS IN LONDON.

THE INDUSTRIAL POTENTIAL OF THE WESTERN ZONE OF GERMANY MAY BE OF MAJOR IMPORT TO THE RECOVERY OF EUROPE.

WHILE SOVIET FOREIGN MINISTER V.M.MOLOTOV WAS EN ROUTE TO MOSCOW, DIPLOMATIC SOURCES IN LONDON SAID U.S. SECRETARY OF STATE MARSHALL

DEC -1947

WOULD START THE FIRST OF A SERIES OF WESTERN POWER DISCUSSIONS ON THE UNIFICATION OF THE WESTERN REICH WITH FRENCH FOREIGN MINISTER GEORGES BIDAULT.

THE BREAKDOWN OF THE BIG FOUR TALKS RULED OUT ANY FOUR-POWER ORGANIZATION OF ALL GERMANY IN THE IMMEDIATE FUTURE.

MARSHALL WAS UNDERSTOOD TO HAVE PUT HIS ADVISORS ON GERMAN AFFAIRS TO WORK AT ONCE DRAFTING RECOMMENDATIONS WHICH HE MIGHT HAND TO BIDAULT AS TENTATIVE PLANS FOR MERGING THE FRENCH ZONE OF GERMANY WITH THE AMERICAN AND BRITISH ZONES. HE WILL DINE TONIGHT WITH BIDAULT, WHO SAID FRANCE WOULD ACCEPT A MERGER IF IT WERE PROFITABLE.

SOME U.S. DIPLOMATS THOUGHT IT POSSIBLE THAT MARSHALL, BIDAULT AND ERNEST BEVIN, BRITISH FOREIGN SECRETARY, MIGHT PLAN A BIG THREE MEETING.

RUSSIAN REACTION TO THE CONFERENCE COLLAPSE, THUS FAR RESTRICTED TO PRESS COMMENT, BLAMED THE BREAKDOWN ON THE WESTERN POWERS.

IN MOSCOW THE NEWSPAPER IZVESTIA CHARGED THE WESTERN POWERS HAD HAMSTRUNG THE CONFERENCE WHILE "TRYING TO LAY THE RESPONSIBILITY ON THE SOVIET UNION."

MOST BRITISH PAPERS EDITORIALLY ACCUSED THE RUSSIANS OF FORCING THE CONFERENCE INTO DEADLOCK. GERMAN PAPERS GENERALLY TOOK A GLOOMY VIEW OF THE BREAKDOWN WITH THE RUSSIAN-LICENSED TAEGLICHE RUNDSCHAU CLAIMING THAT "MARSHALL BLEW UP THE CONFERENCE."

IN WASHINGTON THE WHITE HOUSE DECLINED COMMENT ON THE FAILURE OF THE MEETING. PRESIDENTIAL SECRETARY CHARLES G.ROSS SAID PRESIDENT TRUMAN HAD BEEN KEPT FULLY INFORMED OF DEVELOPMENTS IN LONDON.

IN FRANKFURT, GERMAN LEADERS SAT SECRETLY IN A LENGTHY MEETING TO PREPARE FOR WHAT MAY BE A HISTORY-MAKING CONFERENCE THIS WEEK-END WITH U.S. AND BRITISH AUTHORITIES. OUT OF THIS CONFERENCE, TENTATIVELY SET FOR SATURDAY, MAY GROW AN INTERIM GOVERNMENT FOR WESTERN GERMANY.

DURING THEIR MEETING THE GERMAN LEADERS ISSUED A COMMUNIQUE "OFFICIALLY RECOGNIZING AN INVITATION OF THE BI-PARTITE CONTROL OFFICE" TO A MEETING WITH GENS.LUCIUS D.CLAY AND SIR BRIAN ROBERTSON, U.S. AND BRITISH MILITARY GOVERNORS.

IT WAS BELIEVED THAT AT THIS MEETING THE ALLIED COMMANDERS WOULD INFORM THE GERMANS OF HOW FAR THEY CAN GO IN ORGANIZING WESTERN GERMANY ON A POLITICAL BASIS. FORMATION OF A CENTRAL POLITICAL ORGANIZATION HERETOFORE HAS BEEN STRICTLY FORBIDDEN.

DEC -1947

BJ113PES

LESS THAN 24 HOURS AFTER THE BREAK-UP OF THE LONDON MEETING, ANDREI A.GROMYKO SOVIET DEPUTY FOREIGN MINISTER, PICKED UP THE SOVIET ASSAULT ON THE UNITED STATES AND BRITAIN HERE. HE CHARGED THEY WERE DOING EVERYTHING TO "UNDERMINE" THE 1946 SOVIET-SPONSORED ASSEMBLY RESOLUTION CALLING FOR REDUCTION AND REGULATION OF ARMAMENTS. HE SPOKE TO A CLOSED MEETING OF THE WORKING COMMITTEE OF THE U.N. COMMISSION ON CONVENTIONAL ARMAMENTS. GROMYKO NOTED THAT A YEAR HAD PASSED SINCE THE RESOLUTION WAS ADOPTED IN NEW YORK AND CHARGED THAT NOTHING HAD BEEN ACCOMPLISHED.

DR. ALBERTO GONZALEZ-FERNANDEZ, OF COLOMBIA, REMINDED THE ARMS DELEGATES THAT THEY COULD NOT WORK WITHOUT TAKING INTO ACCOUNT WHAT WAS HAPPENING OUTSIDE. HE SAID IT WOULD BE BETTER TO WAIT ONE OR TWO YEARS WITHOUT FORCING ANY VOTE WHICH WOULD MAKE THE EAST-WEST DIFFERENCES SHARPER. A U.N. OFFICIAL SAID THE COLOMBIAN OBVIOUSLY WAS REFERRING TO THE FAILURE OF THE LONDON CONFERENCE.

GH401PES NM LAKE SUCCESS - CARPENTER-XX WAGON

LAKE SUCCESS, DEC.16-(AP)-MEMBERS OF THE UNITED NATIONS SECRETARIAT VOTED WITHOUT OPPOSITION AT A MASS MEETING TODAY TO SET UP A CONSUMERS' COOPERATIVE ORGANIZATION AT U.N. HEADQUARTERS HERE.

A PROVISIONAL COMMITTEE WAS AUTHORIZED TO DRAFT ARTICLES OF INCORPORATION AND REPORT IN JANUARY.

DEC -1947

PROJECTS UNDER CONSIDERATION BY THE PROVISIONAL COMMITTEE INCLUDED OPERATION OF THE U.N. CAFETERIAS, A BOOK SHOP AND LENDING LIBRARY, A GROCERY AND DRY GOODS STORE, DENTAL SERVICE, AUTOMOBILE FILLING STATION, NEWS STAND AND POSSIBLY THE COCKTAIL BARS AT THE NEW U.N. HEADQUARTERS IN MANHATTAN.

THE CAFETERIAS, BARS AND NEWS STAND AT PRESENT ARE MANAGED FOR THE U.N. BY A PRIVATE CONCERN ON A PROFIT PERCENTAGE BASIS. THE SECRETARIAT NOW NUMBERS ABOUT 2,800.

UNDER PRESENT PLANS, THE PROPOSED COOPERATIVE WOULD UNDERTAKE ONLY ONE OR TWO VENTURES INITIALLY.

JT135PES NM

(ADVANCE) (NY)..CHICAGO, DEC. 16-(AP)-WARREN R.AUSTIN, CHIEF OF THE U.S.DELEGATION TO THE UNITED NATIONS, DECLARED TODAY THAT RUSSIA'S CAMPAIGN AGAINST THE MARSHALL PLAN FOR EUROPEAN RECOVERY HAD WON SUPPORT FOR THE PLAN INSTEAD OF "ALIENATING SUPPORT."

IN A SPEECH PREPARED FOR DELIVERY TO THE AMERICAN FARM BUREAU FEDERATION, HE SAID RUSSIA HAD TRIED TO USE THE U.N. GENERAL ASSEMBLY TO SPREAD FEARS BUT THAT SOVIET "THREATS" HAD FAILED TO "FRIGHTEN" THE SMALL AND MEDIUM COUNTRIES.

REFERRING TO RUSSIA'S EFFORTS IN THE RECENT ASSEMBLY SESSIONS AT NEW YORK AND LAKE SUCCESS, AUSTIN SAID:

"SOVIET SPOKESMEN SOUGHT TO AGGRAVATE FEARS OF A VAST NEW CONFLICT. THE SHOUTING, THE THREATS AND THE INTIMIDATION FAILED TO ACCOMPLISH THEIR PURPOSE.

DEC -1947

"INSTEAD OF ALIENATING SUPPORT FROM THE POLICIES WE ADVOCATED IN THE GENERAL ASSEMBLY, THE SOVIET TACTICS CAUSED WAVERING STATES TO RALLY TO OUR SIDE. FAR FROM BEING FRIGHTENED, THE SMALL AND MEDIUM STATES SHOULDERED THEIR RESPONSIBILITIES. WHEN THE ROLL CALLS WERE TAKEN, THEY STOOD UP AND WERE COUNTED."

AUSTIN DECLARED THAT "RECENT STRIKES AND SABOTAGE IN FRANCE AND ITALY" WERE PART OF RUSSIA'S CAMPAIGN AGAINST THE MARSHALL PLAN BUT SAID THESE ALSO HAD FAILED.

"THE COMMUNISTS BELIEVE THEY CAN MAKE ANY AID THAT IS EXTENDED TOO LITTLE AND TOO LATE," HE SAID. "THEY BELIEVE THEY CAN CREATE CONDITIONS THAT WILL FRIGHTEN AMERICA AWAY FROM INVESTING IN THE FUTURE OF EUROPE. THEY EVEN BELIEVE THEY CAN SCARE OUR CONGRESS AND OUR PEOPLE. BUT OUT OF MY OWN EXPERIENCE I CAN SAY THAT THE PEOPLE AND THE CONGRESS ARE NOT EASILY FRIGHTENED."

HE SAID THE "PERIL IS STILL GRAVE" IN FRANCE AND ITALY, BUT "THE PEOPLE OF FRANCE AND ITALY ARE RESPONDING NBLY TO THE CHALLENGE."

"THE EVENTS IN THESE COUNTRIES," AUSTIN SAID, "ARE HEARTENING DEMONSTRATIONS OF THE STRENGTH OF THE PEOPLE'S DETERMINATION TO PLAN THEIR OWN WAY OF LIFE, FREE OF PRESSURE AND INTIMIDATION FROM THE OUTSIDE."

(END ADVANCE FOR USE AT 2:30 P.M., EASTERN STANDARD TIME, TODAY, TUESDAY, DEC. 16).

VS530AES

LAKE SUCCESS,DEC.16-(AP)-HERSCHEL V.JOHNSON, UNITED STATES DELEGATE TO THE UNITED NATIONS WHO TOOK A LARGE PART IN PUTTING THE PALESTINE PARTITION PLAN THROUGH THE ASSEMBLY, HAS SUFFERED A MILD HEART ATTACK, THE U.S. DELEGATION ANNOUNCED TODAY.

HE WAS STRICKEN IN HIS HOTEL ROOM HERE YESTERDAY. HE WAS TAKEN TO A HOSPITAL LAST NIGHT FOR TREATMENT AND DOCTORS SAID HE WOULD BE THERE FOR AT LEAST TWO WEEKS. HIS CONDITION IS NOT SERIOUS, THEY SAID, BUT HE NEEDS REST.

JOHNSON, WHOSE HOME IS IN CHARLOTTE, N.C., CAME TO THE U.N. ASSIGNMENT LAST YEAR FROM HIS POST AS MINISTER TO SWEDEN.

BJ148PES

DEC -1947

WASHINGTON,DEC. 16-(AP)-SENATOR GEORGE (D-GA) TOLD THE SENATE TODAY THAT FAILURE OF THE LONDON FOREIGN MINISTERS CONFERENCE TO REACH AGREEMENT ON PEACE TERMS "CLEARLY DEMONSTRATED" THAT "TWO STRATEGIC OR POLITICAL MISTAKES" WERE MADE BY THE UNITED STATES AND HER WESTERN ALLIES IN THE RECENT WAR.

GEORGE, FORMER CHAIRMAN OF THE SENATE FOREIGN RELATIONS COMMITTEE, SAID THE TWO "UNDERSTANDABLE" ERRORS WERE:

1. THE POTSDAM CONFERENCE AGREEMENT TO TRY TO "REDUCE GERMANY TO A PASTORAL STATE."

2. THE ASSUMPTION THAT SOVIET RUSSIA SHARED "OUR DEMOCRATIC IDEALS" AND AIMS.

THE SENATOR SAID THE BREAKUP OF THE LONDON CONFERENCE NOW WILL ALLOW ALL NATIONS AND PEOPLES WHO DESIRE PEACE TO GET TOGETHER AND TRY TO FRAME ONE.

VX840PES

PHILADELPHIA,DEC.16-(AP)-GERHARDT EISLER SAID TONIGHT HE WILL CONTINUE HIS FIGHT AGAINST THE CONGRESSIONAL UN-AMERICAN ACTIVITIES COMMITTEE AND OTHER GROUPS WHICH HE TERMED REACTIONARY AS LONG AS HE IS ABLE TO SPEAK OR WRITE.

EISLER SPOKE BEFORE A CROWD OF 600 AT TOWN HALL WHERE AN EXTRA DETAIL OF UNIFORMED POLICEMAN WERE ON HAND IN ANTICIPATION OF DISORDER WHICH DID NOT MATERIALIZE.

EISLER DECLARED THAT HIS MAIN DESIRE WAS TO RETURN TO GERMANY TO FIGHT FASCISM THERE. HE SAID THAT ALTHOUGH HE IS A ADMIRER OF JOSEF STALIN HE IS CERTAIN THAT THE RUSSIAN DICTATOR "CAN DO ABSOLUTELY WITHOUT ME."

THE MEETING WAS CONDUCTED BY THE PHILADELPHIA CHAPTER OF THE CIVIL RIGHTS CONGRESS.

EE125AES NM

DEC -1947

(ADVANCE) WASHINGTON, DEC.16-(AP)-ARTHUR GARFIELD HAYS, NEW YORK ATTORNEY, CONTENDED TONIGHT THAT OUTLAWING THE COMMUNIST PARTY WOULD MERELY DRIVE THE MOVEMENT UNDERGROUND.

REP. FRANK B. KEEFE (R-WIS) SAID IF THAT WOULD BE THE RESULT, "I AM FOR IT AND THE DEEPER THEY ARE DRIVEN UNDERGROUND THE BETTER."

THEY MADE THE ASSERTIONS IN OPENING STATEMENTS PREPARED FOR THE AMERICAN FORUM OF THE AIR (MUTUAL). SENATOR GLEN TAYLOR (D-IDAHO) AND REP. HARRY R.SHEPPARD (D-CALIF) ALSO WERE ON THE PROGRAM.

HAYS, DIRECTOR OF THE AMERICAN CIVIL LIBERTIES UNION, CONTENDED THAT OUTLAWING THE COMMUNIST PARTY IS "WRONG, AND PROBABLY UNCONSTITUTIONAL."

"THE COMMUNIST PARTY COULD EVADE THE LAW BY CHANGING ITS NAME," HE SAID. "EXPERIENCE SHOWS THAT IT WOULD MERELY DRIVE THE MOVEMENT UNDERGROUND, GIVE IT THE ADVANTAGE OF THE EMOTIONALISM THAT ARISES FROM SECRECY, AND LEND TO ITS MEMBERS THE HALO OF MARTYRDOM. SUPPRESSION WOULD HURRY ITS GROWTH, NOT HALT IT."

KEEFE DECLARED THE CONSTITUTION IS "NOT INTENDED TO BE USED AS A CLOAK AND A MASK FOR THE PROTECTION OF A TREASONABLE GROUP WHOSE AVOWED OBJECTIVE IS THE OVERTHROW OF FREE GOVERNMENT."

(END ADVANCE FOR USE AT 10:30 P.M. EASTERN STANDARD TIME TONIGHT, TUESDAY, DEC.16)

WH815PES

WASHINGTON, DEC 16-(AP)-AN ARMY REVIEW BOARD TODAY HELD THE SECOND SESSION OF A TWO-DAY HEARING IN THE CASE OF PFC THOMAS GUSIK OF CLEVELAND WHO WAS SENTENCED BY A COURT MARTIAL IN ITALY TO LIFE IMPRISONMENT ON CHARGES OF SLAYING TWO ITALIAN CIVILIANS.

PRESENT WERE CHARLES VANIK, CLEVELAND ATTORNEY AND A HALF DOZEN OTHER PERSONS DESCRIBED BY THE ARMY AS INTERESTED IN THE CASE. THE REVIEW BOARD'S RECOMMENDATION WILL BE TURNED OVER TO THE SECRETARY OF ARMY, WITH THE PROBABILITY THAT THE CASE WILL GO TO THE PRESIDENT FOR FINAL ACTION. THIS PROCEDURE OPERATES AUTOMATICALLY IN THE CASE OF DEATH SENTENCE OR LIFE IMPRISONMENT.

MUSIK WAS CONVICTED BY A COURT MARTIAL AT LEGHORN, ON OCT. 9 ON TWO COUNTS OF MURDER. BROUGHT TO THIS COUNTRY FROM ITALY, HE WAS SENT TO THE GREEN HAVEN DISCIPLINARY BARRACKS AT STORMVILLE, N.Y.

SU133PES

DEC -1947

30.24- 14295

(ADVANCE) WASHINGTON,DEC. 16-(AP)-THE COUNTRIES OF WESTERN EUROPE ARE GOING TO HAVE TO STEP UP THEIR ECONOMY COOPERATION TO ACHIEVE POSTWAR RECOVERY, A REPORT ISSUED BY THE FOREIGN POLICY ASSOCIATION DECLARED TODAY.

"HOWEVER WELL DEVISED, THE MARSHALL PROPOSAL IS NOT THE FINAL SOLUTION TO THE PROBLEM OF EUROPEAN RECOVERY," SAID THE REPORT, PREPARED BY HAROLD H.HUTCHESON, STAFF ECONOMIST FOR THE PRIVATE RESEARCH ORGANIZATION.

"RATHER IT IS THE BEGINNING OF A CONSTRUCTIVE POLICY WHICH WILL REQUIRE FURTHER IMPLEMENTATION."

HUTCHESON SAID THAT WORLD DISTRIBUTION OF PRODUCTIVE POWER HAS BEEN OUT OF EQUILIBRIUM SINCE 1914, WITH AN AGGREGATE SURPLUS OF PRODUCTION ONLY IN THE WESTERN HEMISPHERE.

"THE EASTERN HEMISPHERE IS A DEFICIT AREA EVEN FOR THE BARE NECESSITIES OF LIFE," HE DECLARED.

"THE SUPREME TASK OF ECONOMIC STATESMANSHIP, THEREFORE, IS NOT LIMITED TO BRIDGING THIS GAP IN THE PRESENT EMERGENCY; SUBSTANTIAL RESULTS WILL BE ACHIEVED ONLY WHEN THE NECESSARY CONDITIONS FOR LONG-RANGE BALANCE AND STABILITY HAVE BEEN CREATED."

HUTCHESON SAID THERE ARE FOUR FIELDS IN WHICH COLLECTIVE ACTION IS IMMEDIATELY POSSIBLE BETWEEN EUROPEAN GOVERNMENTS--COMMON PLANNING FOR EXPLOITATION OF NEW ELECTRIC POWER SOURCES; STANDARDIZATION OF FREIGHT CARS, MINING AND ELECTRICAL MACHINERY AND SIMILAR EQUIPMENT; FREIGHT CAR POOLING, AND INTERNATIONAL EXCHANGE OF INFORMATION ON STEEL PLANT MODERNIZATION.

THOSE MEASURES, HE COMMENTED, ADD UP TO "ONLY A SMALL BEGINNING."

(END ADVANCE FOR AMS OF WEDNESDAY, DEC. 17)

VX847PES

(110) WASHINGTON,DEC. 16-(AP)-NISSIM MEVORAH, BULGARIA'S FIRST POSTWAR MINISTER TO THE UNITED STATES, APPEALED TO THE AMERICAN PRESS TODAY TO "DO SOMETHING" TO HELP IMPROVE RELATIONS BETWEEN THE UNITED STATES AND BALKAN COUNTRIES.

MEVORAH MADE THE STATEMENT AT THE STATE DEPARTMENT WHERE HE CALLED TO PRESENT A COPY OF HIS CREDENTIALS TO ACTING SECRETARY OF STATE LOVETT.

THE BULGARIAN DIPLOMAT TOLD REPORTERS HE HOPED HE WOULD GET AS CORDIAL A RECEPTION IN WASHINGTON AS DONALD R.HEATH, AMERICAN MINISTER TO BULGARIA, RECEIVED IN HIS COUNTRY. MEVORAH SAID IN ANSWER TO QUESTIONS HE IS A MEMBER OF THE BULGARIAN COMMUNIST PARTY BUT ADDED:

"I AM MOSTLY A MAN OF LAW AND SCIENCE AND AM NOT ACTIVE POLITICALLY."

VX838PES

DEC -1947

WASHINGTON,DEC.16-(AP)-THE MARITIME COMMISSION WAS ASKED TODAY TO DETERMINE IMMEDIATELY WHETHER DELIVERY OF TANKERS SOLD ABROAD CAN BE HALTED OR AGREEMENT REACHED TO RETAIN THE VESSELS IN DOMESTIC SERVICE DURING PRESENT FUEL OIL SHORTAGES.

MARITIME COMMISSIONER RAYMOND S. MC KEOUGH TOLD THE HOUSE COMMERCE COMMITTEE, WHICH IS STUDYING CURRENT SHORTAGES AND THE LONG-RANGE FUEL PROGRAM, THAT THE COMMISSION COMPLETED SALE LAST FRIDAY OF 83 TANKERS TO FOREIGN GOVERNMENTS OR COMPANIES.

REP. HESELTON (R-MASS), WHO WITH OTHERS PREVIOUSLY HAD DISCUSSED WHAT THEY DESCRIBED AS INCREASINGLY ACUTE FUEL OIL SHORTAGES IN NEW ENGLAND AND ALONG THE EASTERN SEABOARD, ASKED MC KEOUGH WHETHER THE TANKERS SOLD TO FOREIGNERS "ARE GONE BEYOND RECAPTURE BY THE UNITED STATES?"

MC KEOUGH SAID HE COULD NOT GIVE A LEGAL OPINION BUT THAT HE WOULD ATTEMPT TO ARRANGE A COMMISSION MEETING IMMEDIATELY TO DISCUSS HESELTON'S SUGGESTIONS--POSSIBLE DELAYS IN DELIVERY OF THE TANKERS OR AGREEMENTS WITH PURCHASERS TO PERMIT THEM TO REMAIN IN SERVICE TO DOMESTIC PORTS.

EARLIER, SENATOR HAWKES (R-NJ) PROTESTED TO THREE GOVERNMENT DEPARTMENTS THAT HEATING OIL STILL IS BEING SOLD ABROAD DESPITE THE SHORTAGE IN THE EASTERN UNITED STATES.

DEC 1947

HAWKES ASKED SECRETARY OF THE INTERIOR KRUG, SECRETARY OF THE NAVY SULLIVAN AND SECRETARY OF COMMERCE HARRIMAN IN IDENTICAL LETTERS TO CHECK THEIR RESPECTIVE DEPARTMENTS AND REPORT BACK ON ANY WAY TO CONSERVE OIL "TO MEET THE FAIR MINIMUM HEATING NEEDS OF OUR OWN PEOPLE FOR THE NEXT 100 TO 120 DAYS."

AS A MEMBER OF A SENATE SUBCOMMITTEE PROBING FUEL SHORTAGES, HAWKES SAID HE HAS RECEIVED INFORMATION THAT THE "UNITED STATES IS STILL EXPORTING SUBSTANTIAL QUANTITIES OF OIL."

"THIS INFORMATION HAS COME TO ME FROM VERY RESPONSIBLE SOURCES ENGAGED IN THE OIL BUSINESS IN THE STATE OF NEW JERSEY," HAWKES WROTE THE GOVERNMENT OFFICIALS.

THE LETTER ADDED:

"IT SEEMS TO ME, IF WE ARE GOING TO KEEP OUR PEOPLE FROM BEING UNDULY COLD AND RISK ILLNESS DURING THE NEXT FEW MONTHS, THAT EVERY AGENCY OF THE GOVERNMENT SHOULD CURTAIL IN EVERY POSSIBLE WAY THE USING--THE EXPORTING--AND THE TAKING FOR STOCKPILING OF ANY TYPES OF OIL WHICH AFFECT THE SUPPLY OF HEATING OIL AVAILABLE TO OUR OWN PEOPLE DURING THE WINTER MONTHS.

"I APPRECIATE THIS QUESTION IS NOT ONE-SIDED, BUT CERTAINLY NOTHING CAN BE MORE IMPORTANT THAN CONSERVING OIL IN EVERY POSSIBLE WAY TO MEET THE FAIR MINIMUM HEATING NEEDS OF OUR OWN PEOPLE FOR THE NEXT 100 TO 120 DAYS."

MD753PES

WASHINGTON,DEC.16-(AP)-THE UNITED STATES WILL SPEND AT LEAST $2,000,000 TO STRENGTHEN 50 WARBUILT TANKERS, THE NAVY ESTIMATED TODAY.

THE TANKERS, 40 OF THEM BUILT BY THE MARINSHIP CORPORATION OF SAUSALITO,CALIF., AND THE BALANCE BY THE SUN SHIPBUILDING COMPANY, CHESTER,PA., FOR THE WAR SHIPPING ADMINISTRATION ARE BEING RECONDITIONED FOR NAVY USE.

BEFORE BEING COMPLETED THE MARINSHIP TANKERS WERE TURNED OVER FOR CONVERSION FOR NAVY TANKERS BY THE KAISER SHIPBUILDING CORPORATION, AN OFFICIAL SAID.

TWO TANKERS WITHDRAWN FROM THE POOL OF LAID-UP SHIPPING SPLIT LAST WEEK IN NEW YORK AND BOSTON, AND THE NAVY SAID TODAY IT WILL STRENGTHE THE HOLDS OF ALL OF THE SHIPS WITH STEEL BANDS AT DECK LEVEL AND BELOW THE WATER LINE TO PREVENT FURTHER SUCH INCIDENTS.

THE COST OF "STRAPPING" THE 50 SHIPS IN THIS FASHION WAS ESTIMATED AT $40,000 PER SHIP BY THE NAVY.

THE OFFICIAL EXPLAINED THAT DRYDOCKING, CLEANING TANKS AND THE STRAPPING WOULD COST ABOUT $70,000 PER SHIP, BUT THAT TANKS WOULD HAVE TO BE CLEANED IN ANY CASE AND THAT DID NOT CONSTITUTE AN EXTRA EXPENSE TO MAKE THE SHIPS SAFE.

ALL OF THE SHIPS WILL HAVE TO BE DRYDOCKED TO INSTALL THE REINFORCING BANDS, HE SAID.

DEC 1947

THE NAVY IS RETURNING 50 MERCHANT TANKERS, BEING USED FOR MILITARY PURPOSES, TO PRIVATE INDUSTRY TO HELP RELIEVE THE OIL TRANSPORTATION SHORTAGE. IT IS REPLACING THESE WITH THE 50 FROM THE LAID UP SHIPPING CNTROLLED BY THE MARITIME COMMISSION.

MD823PES

End December 16, 1947

30.24- 14297

LONDON PLANS TO RECONSIDER FOREIGN POLICY

Cabinet to Review Program After Bevin Reports on Big 4 Failure.

DEC 1947

APPEAL TO FRANCE EXPECTED

Deputy Foreign Ministers Reach Deadlock Over Russian Oil Demands in Austria.

London, Dec. 17 (A. P.).—A highly placed Government informant said today that the British Cabinet probably will "reconsider the whole structure of its foreign policy" tomorrow as a result of the Big Four Foreign Ministers' failure to reach any agreement on the future of Germany.

Foreign Secretary Ernest Bevin was expected to open the Cabinet deliberations with a formal report on the disagreements which brought the Big Four conference to a close in failure.

Responsible Government officials, close to those who mold British policy, expressed grave concern over the conference collapse and the indefinite prolongation of Germany's disunity. It appeared certain that Britain would join with the United States in a strong bid to have France merge her occupation zone of Germany with the already fused British-American zones so as to put as much as possible of Germany's industrial machine to work in Europe's reconstruction.

Bidault Meets Bevin.

Initial discussions along this line were believed to have taken place today when French Foreign Minister Georges Bidault called on Bevin. United States Secretary of State George C. Marshall and Bidault reportedly discussed this same subject last night. Marshall was invited to lunch with King George at Buckingham Palace today.

Meanwhile, the deputy foreign ministry reached at least a temporary deadlock in their talks about an Austrian peace treaty because of Russia's insistence on two-thirds of Austria's present and unexploited oil production. The deputies adjourned after agreeing that Russia would submit its demands in writing before February 1.

France suggested that an oil settlement in Austria be based on terms allowing Russia half the current production and a third of that which is not developed. Russia also would have been allowed to the use of 250,000 to 300,000 tons of Austria's refinery capacity.

The Trade Union Congress, bulwark of Britain's Labor party, formally expressed "profound disappointment" today at the end of the Foreign Ministers Conference The organization's council, meeting to draft instructions for its delegates to the February meeting of the World Federation of Trade Unions, congratulated Bevin for trying to reach agreements in the council and indorsed the Marshall plan for European recovery as a "statesmanlike approach."

The Bidault-Marshall exploratory talks last night were said to have been satisfactory. There were plentiful indications that, whatever evolves from the western Power declarations, the door will be kept open for future cooperation with Russia.

British Had No Notice.

A British foreign office spokesman, speaking more cautiously than the Government informant, said that the breakdown of the conference would require a general review of foreign policy by the cabinet. The spokesman disclosed that Marshall had given the British no advance notice of his adjournment proposal, although it came as no great surprise.

The spokesman took the view that such agreements as had been achieved in the conference would be considered binding. He cited in particular the decision to give Pakistan a seat at the peace table and the accord fixing German steel production at 11,500,000 tons yearly.

"One wouldn't expect a delegation which found itself in agreement with the other delegations to go back on those agreements," he said.

Bevin had an audience with the King early in the day, presumably to report on the ending of the conference. The Foreign Office spokesman said Bevin would see Marshall before the latter leaves for home.

French sources said it also was understood that Bidault and Marshall discussed a tentative suggestion for a Washington meeting of American, British and French Foreign Ministers on January 15.

Marshall On Air Friday

Bidault leaves for Paris tonight and Marshall flies to Washington tomorrow and will report to the American people by radio Friday night.

The future of co-operation with Russia depends, of course, on how the Russians react to the present situation. The full reaction probably will not be known until after Soviet Foreign Minister V. M. Molotov makes his report at the Kremlin and Russian leaders lay down their policy decisions.

French informants said it was understood that Bidault and Marshall discussed a tentative suggestion for a Washington meeting of American, British and French Foreign Ministers on January 15.

BRITAIN SCANS POLICY CHANGE

DEC 1947

Cabinet To Study Of Big 4 Parley Collapse.

London, Dec. 17 (AP)—Britain gravely weighed tonight the necessity for broad-scale revision of her foreign policy as a result of the breakdown in the Big Four Foreign Ministers' negotiations and the widening breach between Russia and the Western powers.

A highly placed Government informant said the full Cabinet probably would "reconsider the whole structure of foreign policy" tomorrow at a meeting which was expected to produce tentative decisions linking Britain's future even more tightly with that of the United States.

Bevin To Recommend Moves

Ernest Bevin, Foreign Secretary, will bring to the Cabinet meeting a first-hand report of the Big Four's deadlocked dispute on the future of Germany and Austria, and with it his recommendations on what should be done now to gain western Germany's contribution toward Europe's recovery.

With the chances of complete economic unification of all Germany tentatively ruled out, the immediate major decision hinged upon a move for economic fusion of the French zone of Germany with those of Britain and the United States.

It was against this background that Georges Bidault, French Foreign Minister, visited the Foreign Office early today to see Bevin, and later in the day conferred with Gen. George C. Marshall, Secretary of State, who plans to leave for home by air tomorrow.

No Official Disclosure

There was no official disclosure as to what was discussed at either meeting. Both American and British officials have made no secret of their anxiety to draw France into their German occupation partnership. Bidault has been reported as ready for the integration if assured of long-range French security.

Just how far the integration of the western zones will go remained uncertain. Within the American delegation there has been a division of opinion on whether it should include provisional political unification as well as economic solidarity.

Russia openly anticipated both. The Moscow radio broadcast the assertion that American and British delegates came to London "with plans all mapped out for setting up a puppet west German government and making 'Bizonia' a vassal state of their own."

Vyacheslav M. Molotov, Soviet Foreign Minister, returned today to Moscow.

The Soviet charges have been denied by both Britain and the United States.

Queried On U.S. Control

During questioning in the House of Commons, Bevin replied "yes" to whether he had taken note of statements by the United States Secretary of the Army that henceforth the United States would control the economic and financial policies of the merged zones. He sidestepped a query as to whether he would tell the United States that Britain should have "equal say" on economic questions.

Bevin denied that Europe was "hanging back" in contributing to the European recovery program. He said the Continent is in a "very difficult position to know what steps to take until Congress has made its decision" on financing the Marshall plan.

Deputies Reach Deadlock

In the midst of these developments the Foreign Ministers' deputies, seeking an accord on a peace settlement for Austria, reached at least a tentative deadlock in a dispute over Russian claims on Austria's oil resources.

The deputies adjourned under an agreement to meet before February 1, after the Soviet Union puts in writing claims for two thirds of Austria's present oil production and a similar amount of that developed in unexploited fields.

The French have proposed that Russia get about 50 per cent of present production plus one third of that undeveloped, with between 250,000 and 300,000 tons of Austria's refinery capacity to be utilized by the Soviet Union.

Bevin Tells Of Accord

London, Dec. 17 (AP) — Foreign Secretary Ernest Bevin announced in the House of Commons that an agreement had been reached on financing operations in the Anglo-American zones of Germany and would be signed in Washington today.

Bevin was asked if he had taken note of reports quoting the United States Secretary of the Army as saying henceforth Americans would control the economic and financial policies of the American and British zones.

Bevin replied that he had.

He was then asked if he would tell the United States that Britain should have "an equal say" on those questions.

He replied that he "would prefer not to anticipate the statement, which will be released tonight."

Action Up To Congress

Answering other queries, Bevin denied that Europe is hanging back in contributing to the European recovery program, but said the Continent is "in a very difficult position to know what steps to take until Congress has made its decision" on financing the plan.

"We are moving with great speed, and I do not think we can be accused of being slow in taking advantage of the Harvard speech," he said.

He referred to Marshall's address last June upon which the recovery program is based.

Bevin brushed aside a query on whether it would help to set up an administrative body in advance of congressional approval of the Marshall program.

No U.S. Goods For Russ

He said that would depend on whether Congress laid down conditions for the aid and added that the latter's final decision could not be anticipated.

Nor would he commit the Government on the advisability of setting up a customs union among those nations which share in the Marshall plan.

He did say that Britain had not opposed such a proposal but added that "Britain cannot exclusively be a member of a customs union of Europe."

Meanwhile, a responsible Government official said that Britain could not re-export American goods to Russia as part of the pending Anglo-Soviet trade pact.

U.S. Alarm Noted

The denial came in response to queries prompted by a London newspaper report that members of Congress are alarmed over the possibility that Britain will reship to the Soviet Union machinery now made only in the United States.

The same source reported that the British-Russian trade talks are "going perfectly all right" and the breakdown of the Foreign Ministers Council discussions apparently had not entered into the deliberations. Britain and Russia both already have announced agreement in principle.

DEC 1947

British Won't Reship U. S. Goods to Soviet

London, Dec. 17 (A. P.).—A responsible British Government official said today that Britain will not re-export American goods to Russias as part of the pending Anglo-Soviet trade pact. The denial came in response to queries prompted by a London newspaper report that members of Congress are alarmed over the possibility that Britain will reship machinery now made only in the United States.

The same paper reported that the British-Russian trade talks

are "going perfectly all right" and that the breakdown of the Foreign Ministers' Conference apparently had not entered into the deliberations. Britain and Russia both already have announced agreement in principle.

closely tied up with Britain's that we think no immediate change of policy should take place," he said.

Britain holds a balance of £116,000,000 ($464,000,000) on Palestine credits.

Goldman said the Jews and Arabs of the new state probably

Jews Plan Swiss-Like Neutrality For Nation

London, Dec. 17 (AP)—A Jewish Agency leader said today that plans for Judea—a projected name for Jewish Palestine—would provide for Swiss-like neutrality in any possible world war.

At the same time, another Jewish spokesman pointed out that an "indefinite period of conflict" with anti-partitionist Arabs was envisaged, and to meet that threat an army of at least 10,000 would have to be maintained at a weekly expenditure of $500,000.

Dr. Nahum Goldman, a member of the Jewish Agency executive, asserted that Jewish legal experts, now working on a draft constitution, have included a neutrality clause aimed at "eternalizing friendliness for all, enmity toward none."

He explained that perpetual neutrality would be justified on grounds that millions of Jews would still remain scattered throughout the world.

U.N. Membership Sought

Delaring that the new Jewish nation would seek to join the United Nations as soon as possible, Goldman added that it might even seek to be heard at some future peace conference on Germany.

He said that between 100,000 and 200,000 Jewish immigrants would be admitted into the new state by the end of 1950, with those now held in European displaced persons camps given priority. He saw a possibility that the United States might be asked to sell or lend-lease some of its wartime shipping for transporting immigrants to the Holy Land.

Goldman said the new nation probably would choose an independent republican form of government. He discounted the possibility that Jewish Palestine would choose to remain within the British Empire.

However, he explained that one long-term economic problem under study was whether it would remain in the sterling area.

Close Economic Link

"The country's economy is so

would elect their representatives on a proportional representation basis and declared that the Jews would seek to set an example to the world in its treatment of minorities.

He said he thought the veteran Zionist leader, Dr. Chaim Weizmann, would be the "ideal man" for first President and that the likeliest choice for Prime Minister would be David Ben-Gurion, longtime leader of the Jewish Labor party.

Goldman stopped off in London while en route from Palestine to a January meeting of the General Zionist Council in the United States.

JEWS PLANNING NEUTRAL STATE

Judea To Follow Swiss Model, Dr. Goldman Says

London, Dec. 17 (AP)—Dr. Nahum Goldman, of the Jewish Agency Executive, said in an interview today that Jewish legal experts working on a draft constitution for the projected Jewish Palestine state—which may be named Judea—have included a clause binding the country to neutrality on the Swiss model in any future world conflicts.

Dr. Goldman, who is en route from New York to Palestine to attend a general Zionist council January 15 on setting up the new state, said perpetual neutrality would be justified because millions of Jews would still remain scattered "in the Eastern world as well as the Western world."

Army Of At Least 10,000

A Jewish Agency spokesman said, however, a period of "indefinite" conflict with partition-resisting Arabs was foreseen and an army of at least 10,000 would have to be maintained at an initial weekly expenditure of $500,000 to defend the country.

Dr. Goldman outlined these points in the interview:

1. Eliezer Kaplan, Jewish Agency treasurer, is now in the United States examining the prospects of raising a loan from the Export-Import and World banks to capitalize national projects.

2. An economic and defense delegation of 50 American Jews will fly to Palestine on February to survey financial needs of the new state.

$250,000,000 To Be Asked

3. American Jews will be asked by the United Jewish Appeal to subscribe $250,000,000 to meet the new state's overseas needs, including $146,000,000 for defense.

4. World Jewry will be invited to subscribe to an internal loan.

5. Between 100,000 and 200,000 Jewish immigrants will be brought in by the end of 1950, with those now in European displaced persons camps being given priority.

6. The United States may be asked to sell or lend-lease ships for transporting them.

7. Jewish Palestine probably will remain in the sterling bloc.

8. The political relationship between world Zionism and Palestine Jewry remains to be settled. Jews of Palestine are largely Socialist, in contrast to many of Zionism's supporters abroad.

9. The country will apply for United Nations membership as soon as possible, and may seek to be heard at any future peace conference on Germany.

A Jewish Agency spokesman said the new state may file a claim for reparations against Germany on account of the "murders, sufferings and persecutions" which Jews underwent.

Big 4 Disappoint British Labor

LONDON, Dec. 17 (AP).—The Trades Union Congress, bulwark of Britain's Labor party, formally expressed "profound disappointment" today at the end of the Council of Foreign Ministers Conference. The organization's council, meeting to draft instructions for its delegates to the February meeting of the World Federation of Trade Unions, congratulated Foreign Secretary Ernest Bevin for trying to reach agreements in the council, and endorsed the Marshall Plan for European recovery as a "statesmanlike approach."

Refuse-Dump Clinker Yields Lost Radium

London, Dec. 17 (AP)—One three-thousandth of an ounce of radium, lost from a London hospital three weeks ago, has been found in a small clinker at a huge refuse dump 40 miles away.

Fearing that radiations might endanger public health, hospital and civic officials called in physicians who, by means of a detector of radioactive substances and X-ray equipment, traced the radium to the tiny slug in a dump a quarter of a mile long, 20 feet wide and 12 feet deep.

The radium, last used in the hospital's operating theater, was swept away with dressings and eventually with furnace waste.

France Greets U. S. Food Gift Ship

Friendship Train Cargo Arrives at Le Havre—Health Minister Thanks Americans.

Le Havre, Dec. 17 (A. P.). — France welcomed today the freighter American Leader with its cargo of 4,000 tons of food donated to the Friendship Train by the people of the United States.

Waiting at the dock when Capt. A. C. Smithies brought his ship in were long lines of box cars ready to haul the cargo to all parts of France.

At a dockside ceremony, the French public health minister, Mme. Germaine Poinso-Chapuis, thanked the American people in the name of her Government and of the children of France.

United States Ambassador Jefferson Caffery, replying, said: "This gift of food is not a governmental gesture. It is a spontaneous act of private citizens of the United States."

The French port waived all port fees, and the French National Railroads prepared to haul the cargo free. The cargo includes wheat, white flour, macaroni, sugar, evaporated milk, dried beans and peas and tinned baby food.

The distribution will be under the direction of four major American voluntary agencies—American Aid to France, the World Council of Churches, the American Joint Distribution Committee, and the National Catholic Welfare Conference.

FRENCH WELCOME SHIP CARRYING FRIENDSHIP FOOD

LE HARVE, France, Dec. 17 (AP)—French officials and enthusiastic cargo handlers today welcomed the freighter American Leader with its cargo of 4,000 tons of food donated to the Friendship Train by the people of the United States.

Mme. Germaine Poinso-Chapuis, the French public health minister, expressed the official thanks of the French government. In reply U. S. Ambassador Jefferson Caffery said "this gift is not a governmental gesture. It is a spontaneous act of the private citizens of the United States."

In Paris the Communist newspaper Ce Soir commented:

"No one doubts the generosity of the American people but the evidence furnished in no way justifies the massive propaganda created about this shipment." x x x

The cargo includes wheat, macaroni, sugar, evaporated milk, dried beans and peas and tinned baby food. Its distribution will be under direction of four major American volunteer agencies—American Aid to France, the World Council of Churches, the American Joint Distribution Committee and the National Catholic Welfare Conference (N. C. W. C.).

James J. Norris, European director for the N. C. W. C., said local groups experienced in distributing relief will assure the food goes to those who need it.

The first of 10 trains will leave Le Harve Friday.

ROME, Dec. 17 (AP)—The Friendship Train committee said today three and possibly four trains will travel through Italy distributing 5,000 tons of Friendship Train food from the United States expected to arrive in Genoa about Dec. 23.

Sforza Defends U.S. Policy In Italy

Rome, Dec. 17 (AP)—Foreign Minister Carlo Sforza wrote a vigorous defense of United States foreign policy against its Italian critics today in *La Voce Repubblicana*, denying that political conditions were attached to American aid.

The article appeared against a background of general strikes in the leading Sicilian cities of Palermo and Catania and amid reports of new labor unrest in southern Italy.

Sforza, who spent much of his exile from Fascist Italy in the United States, wrote that "nowhere, neither at Moscow nor at Washington, is war desired" and that the American people have a "general religious horror of war."

Stresses U.S. Terms

He said that during the occupation period "the United States sympathized with coalition governments (which included Communists) and approved a union of all political forces."

The terms of continuing American aid were so stated, Sforza added, as "not to injure in the slightest, morally or judicially, our democratic principles." He asserted that the Marshall plan proved the good intentions of the United States.

In the Constituent Assembly the Communists continued their attack on Premier Alcide de Gasperi's reshuffled Government, this time centering their fire on a Government order dissolving the Leftists administration of Pescara, Adriatic city of 50,000. The Communist newspaper *L'Unita* said a general protest strike had been called there for tomorrow.

Leftists Hold Pescara

Rome newspapers described Pescara as in the hands of a Leftist

30.24- 14299

citizens committee. The dispatches said the mayor and a force of 400 Leftists are occupying the seat of the city's government, refusing to turn it over.

The Government had ordered the administration dissolved under the law permitting such action in the case of "grave irregularities." The Interior Ministry said the city's accounts had been found to have been in arrears.

In Sicily, Catania, the island's second city, was paralyzed. Public transport was at a standstill. Heavy mobile forces patrolled the streets and broke up crowds.

Strike Leaders Arrested

Leaders of the Catania general strike were arrested late in the day. Several persons were injured and others were jailed in clashes with police.

Workers in "essential industries" were excluded from the strike call. Bars, restaurant, some banks and Government offices remained open.

The Sicilian strikes were both called to back demands for unemployment relief—the same reason which the Rome Chamber of Labor gave in calling a two-day general strike there last week.

The local chambers which called the strikes are affiliated with the Communist-dominated General Confederation of Labor.

Two Strikes Opposed

Rome dispatches reported that in Calabria workers in two places had refused to carry out strike orders from Communist-led labor bodies.

At the Calabrian port of Catanzzro Marina, fishermen continued to work, Rome's *Il Messaggero* reported.

At San Benedetto del Tronto, also in Calabria, marine workers were reported sticking to their jobs.

L'Unita, Communist newspaper in Rome, said that strikes were in prospect at two other Sicilian towns "in the interest of the unemployed"—at Caltanisetta and at Enna.

LEFTISTS EVACUATE ITALIAN CITY HALL

Rome, Dec. 17 (A. P.).—The Interior Ministry said today that 400 leftists had evacuated the Town Hall at Pescara, after occupying it a week and calling a five-hour general strike to protest the removal for "grave irregularities" of Socialist Mayor Italo Giovannucci.

General strikes along the pattern of the one last week in Rome gripped Catania and Palermo in Sicily and in both places the police took precautions to prevent disorder. Catania authorities arrested strike leaders in a step unprecedented since the war.

The Ministry said the Pescara strike utterly failed. Dr. Sebastiano Sacchetti took over as Acting Mayor without incident.

Pope Pius urged an end of agitation in comments to Salvatore Rebecchini, new Mayor of Rome: "Far from alleviating real and urgent needs, they (the strikes) do nothing but aggravate them," he said.

Foreign Minister Carlo Sforza wrote in La Voce Republicana a vigorous defense of United States foreign policy and a denial that political conditions were attached to American aid.

Full Strikes In Italy

Rome, Dec. 17 (AP)—Leftist-inspired general strikes attended by some disorder again swept several of the principal centers of Italy and threatened others today.

A week-long partisan occupation of the City Hall of Pescara and rule of the city by a "citizens committee" ended at noon, the Interior Ministry announced, after the Government had threatened to use force to oust the Leftists.

In Catania, Sicily, authorities took the step—unprecedented for postwar Italy—of arresting the leaders of a general strike after police had acted vigorously to keep crowds moving and scatter clashes had resulted. Many minor injuries were reported.

Follow Rome Pattern

Palermo, the Sicilian capital, was tied up by a general strike, which like that in Catania, was of the pattern applied to Rome last week by Premier Alcide de Gasperi's opposition.

In both of Sicily's big cities, dispatches said, police measures were "imposing."

Pietro Nenni, leader of the pro-Communist Socialists, commented sharply from the floor of the Constituent Assembly tonight that Socialists and Communists were excluded from Premier Alcide de Gasperi's recently broadened Government "so 'the party of capital' could enter the Government."

Total Put At 9,000,000

By excluding Communists and Socialists, he said, de Gasperi had excluded 9,000,000 electors, an action which he termed "essentially Fascist in nature."

Commenting on President Truman's recent declaration that the United States would continue to take an interest in freedom in Italy, Nenni said the Italian Government had lost "a good opportunity . . . to declare that only Italians are judges of their independence and liberty."

Pescara dispatches said the seizure of temporary power in Pescara, a city of 50,000 on the Adriatic, was similar to the "umbrella insurrection" at Milan on November 28 when thousands of partisans stood in the rain under a sea of umbrellas about the prefecture to prevent the Government's changing prefects.

The dispatches said 400 partisans occupied the Pescara municipal seat when the Socialist mayor, Italo Giovannucci, refused to give up his job at Government behest.

Accounts In Arrears

Achille Marazza, Under Secretary of Interior, said the Government ordered the Pescara administration dissolved on December 8 when a special investigating committee had discovered the city's accounts in "great arrears," taxes uncollected, unauthorized spending in progress and irregularities in distribution of UNRRA goods. He said the Government acted under a statute provided for cases of grave municipal irregularities.

Mario Scelba, Interior Minister, told the Constituent Assembly that when "a municipal seat is occupied by partisan workers the matter is grave and serious" and that the Government had the right "to resist provocation with force."

Reversal Voted Down

He spoke after Bruno Corbi, Communist, called upon the Government to reverse its order dismissing Mayor Giovannucci. Corbi's motion was voted down, 246 to 140, however, in what was regarded as an initial test of strength for de Gasperi's reshuffled Cabinet which now includes Republicans and Moderate Labor Socialists.

Afterward, the Interior Ministry announced that the Pescara partisans had given up their city-hall positions and that Dr. Sebastiano Sacchetti, with a record of nineteen years as prefect in many parts of Italy, had taken over peacefully as acting mayor. Giovannucci was elected with a Leftist majority in the city council in 1946.

Pope to Urge Prayers for Peace

Vatican City, Dec. 17 (A. P.).—A papal encyclical exhorting Catholics everywhere to pray for peace will be published within a few days, Vatican informants said today.

This encyclical, which will be brief, will ask Catholic children to pray for peace in connection with their celebrations of Christmas.

UN GROUP COMPLETES 'HUMAN RIGHTS BILL'

GENEVA, Switzerland, Dec. 17—(AP)—The United Nations commission on Human Rights ended a two-weeks conference tonight after drafting the world's first international bill of human rights.

The 18-member commission, under the chairmanship of Mrs. Franklin D. Roosevelt, proposed to the United Nations that all the member governments approve the declaration and convenant on human rights, as well as the establishment of an international court of human rights and a five-nation committee to examine alleged violations.

The declaration was proposed for adoption by the UN as a body and as such would have only a morai binding force. The covenant would be adopted by UN members individually and would be legally binding on each nation which ratified it.

The two drafts were complementary and were described jointly as "Bill of Human Rights." They established equal rights and freedoms for all persons regardless of race, sex, nationality or religion.

Col. William R. Hodgson of Australia praised Mrs. Roosevelt's leadership which, he said, had "elevated the commission to a high dignity" and was "regarded with pride" by the delegates.

Sweden to Cut Imports From Hard-Money Areas

STOCKHOLM, Dec. 15 (AP).—Sweden will have to cut its 1948 imports from hard-currency areas—chiefly the United States—by nearly 50 per cent from an estimated 2,800,000,000 Swedish crowns ($778,000,000) in 1947 to 1,465,000,000 crowns ($407,000,000) in 1948, the Swedish government announced Tuesday.

An official communique, giving a brief outline of next year's import plan, said imports from hard-currency countries would be covered by "current incomes in dollars and equivalent currencies."

To "overcome the currency crisis" the announcement predicted measures to increase exports, by expanded production in export industries and by "substantial reduction" of domestic consumption of good that can be exported against "scarce currencies."

RED-BACKED PAPER DEMANDS 'BIG 3' VACATE BERLIN

BERLIN, Dec. 17. — (AP) The Russian-sponsored newspaper Berlin Am Mittag demanded today that Britain, France and the United States vacate Berlin.

Commenting on failure of the foreign ministers to agree in London the newspaper declared the four-power Allied Control Council which rules Berlin "was born in Potsdam and ceases to exist when, as has happened, Potsdam is finished off."

"Potsdam has been negated and what was created there sabotaged. The logical step then is to leave this four-power summit. Even the Western powers must be consistent and throw behind them what in their opinion does not function."

That would mean, the paper continued, wiping out four-power rule of the former German capital and giving up "the bridge position in Berlin."

No other newspaper has gone so far as to suggest that the Western powers leave Berlin.

Western zone German political leaders meanwhile prepared themselves for an expected contest with zone Communists in what they anticipate will be a reinvigorated propaganda campaign to win followers.

Adopting the war cry, "Germany is in greatest danger", the Communist-controlled Socialist Unity party of the Eastern zone sent telegrams to Western zone political leaders charging them with being separaitists and planning a "Western German state."

Setting themselves up as the nationalist standard bearers of united Germany, Eastern zone Communists accused Western zone Germans of lending themselves to "imperialist" partition plans.

The communication ignored the protestations of Western zone political leaders meeting for the second day in Frankfurt that they do not contemplate a full-fledged Western German state.

These western zone leaders stressed, however, that they want to build an economically sound Western Germany which would prove that the German future lies in Western ideas of democracy rather than Eastern ideas of Communism.

Leaders Await Merger News

Political leaders of western Germany said tonight they could go no farther in their conferences until they know the outcome of deliberations between the French, British and Americans on the merger of their occupation zones.

Burgermeisters of key cities in the British-American zones joined the round of conferences in Frankfurt. They told officials they wished to work "more closely" in the future with bizonal authorities.

Members of the seven-man steering committee, which has had the unofficial task of settling political differences of the major parties, reported back to their political chiefs.

The *Fuldaer Volkszeitung* in the American zone commented that as a result of the London conference failure "we Germans have to swallow the bitter pill that there will be two Germanys for some time to come."

New Highs In Production

Gen. Lucius D. Clay, American zone commander, in a monthly review, reported new postwar highs in coal and steel produuction for the British-American zones during

the autumn months and said there were "prospects for substantial industrial revival."

Coal production advanced about 20 per cent from June to October, with 6,656,000 tons produced in October. This was about 66 per cent of the monthly production in 1936

Employment gained for the third successive quarter, rising to 7,612,000.

Coal and Steel Output Rise

BERLIN, Dec. 17 (AP).—The economically merged British and American occupation zones of Germany produced "prospects for substantial industrial revival, with new post-war righs in coal and steel production, during the autumn months," the American Military Government announced today.

The key industries in the two zones, coal and steel, advanced sharply in October and the first half of November, said the report for that period, issued by General Lucius D. Clay, the military governor.

His report said production in the Ruhr mines advanced about 20 per cent from June to October. Aided by increases in worker staffs and by incentives of bonus food and clothing rations to miners, production was rising with the approach of winter. The October rate was 6,656,000 tons for the month against 5,456,000 tons in June, or about two-thirds of the average monthly production of 1936.

Democrats agreed that they should shun any suggestion that they wanted to create a "Western Germany state" which would give the appearance of splitting Germany once and for all.

Throughout the combined American-British occupation area, politicians began making hurried speeches saying that the breakdown of the London Foreign Ministers Conference does not mean the division of Germany.

They said privately they were eager to prevent Communist propaganda from convincing any of the 46,000,000 inhabitants of Western Germany that Russian Foreign Minister V. M. Molotov was a "German hero" fighting alone for unity of the country.

Map Future Campaign

The politicians stressed that they want to build an economically sound Western Germany that would show Germans in the Russian zone that their only chance for a "decent standard of living" was in the west, rather than the east.

To create such a healthy "Bizonia" or "Trizonia," the politicians agreed that reorganization of the present Bizonal Economic Council was necessary immediately, giving it most of the powers of a government except, perhaps, in name.

The Bizonal political leaders met in secret for a second day to plan their action in molding a new Western Germany. They hope to present their united views to Generals Lucius D. Clay and Sir Brian Robertson, the military governors, this week end.

Americans said neither Clay nor Robertson would talk with the Germans before they received definite instructions from Washington and London.

batic feat on the other side.

A whirring little wheel under the chassis, gripping the table as the front wheels dropped off the edge, explained the trick.

"None of these for German children this Christmas," Streb said, winding up another intricate little model featuring gear shifts and horn.

What's left of Nuernberg's 300-year-old toy industry produces only for export—to get food, raw materials, machinery. German kids will have wooden or cardboard toys.

In a shabby, unheated room, the German toymakers have an exhibition. The car that doesn't fall off the table, you learn, is old stuff in Germany.

"Oh, we have new ideas all right," said Otto Hammerschmidt of the Bavarian Ministry of Economics. "But why should we give them away? We have no patent rights."

There are no tanks or submarines or rocket planes. Not even a toy soldier.

"We're not making toy soldiers any more," said Hammerschmidt. "There's an order against it. But I think it may be revised."

Polish Socialists Approve Soviet Stand at London

WROCLAW, Poland, Dec. 17 (AP).—The National Congress of the Polish Socialist party today indorsed the Soviet stand at the Big Four conference in London and adopted a resolution pledging support to Russia "and other democratic countries" in a campaign to maintain peace and stabilize the world. The congress also pledged itself to fight what is described as American imperialistic designs upon Western Europe.

Another resolution appealed for broader international solidarity of the working classes and urged Socialists and Communists to work together to "prevent another Munich."

Party leaders, in speeches to the delegates, repeatedly emphasized that maintenance of Poland's present western boundary on the Oder and Neisse Rivers constituted a "frontier peace for all countries" and warned against the rebuilding of German industry as paving the way for new German aggression.

tional farmers' markets and collective farm and cooperatives to meet the demand.

The newspaper said a huge amount of business was transacted yesterday—the first day of no rationing. Clerking staffs were doubled, and buyers walked away with "armfuls" of goods, the paper reported.

Izvestia said that in Moscow 300 new stores and 250 new kiosks (stands) were opened to accomodate the buyers. More than 1,000 stores were reported selling bread in Moscow and bread kiosks were opened by large enterprises, factories and workers' settlements.

A dispatch from Kiev said 400 new stores were opened in the Ukraine capital and three times more bread was purchased than at any time during rationing.

Advices from Kharkov said prices tumbled there in the farmers' markets, where price controls do not apply. This had been anticipated in view of the lower prices established in the state stores.

stores remain unoccupied. . . . It is now up to the workers that all mass goods should reach the consumers and rapidly."

The article stated that collective farms were selling more produce to the State and that a huge amount of business had been done throughout the Soviet Union on Monday.

The gastronomes — Moscow's super-delicatessens — also are selling unrationed food now. Foreigners who formerly had their own gastronome to sell them rationed food now must purchase on the same basis as all Soviet citizens, through regular retail channels. This also affects diplomats.

Izvestia said that 300 stores and 250 kiosks had been opened in Moscow and that more than 1,000 stores now were selling bread in the capital. Izvestia said that hardly any bread queues existed.

A Kharkov dispatch said that serious deficiencies had developed in the preparation of stores for business and that in one district there was not enough food.

PRINCE WINS FREEDOM BUT LOSES PROPERTY

DARMSTADT, Germany, Dec. 17—(AP) Prince Philip of Hesse, son-in-law of former King Vittorio Emanuele III of Italy, received a suspended two-year prison sentence from a German denazification court today.

The court confiscated one-third of the Prince's property, estimated at 686,000 marks $68,600) but lifted the prison sentence because he had already been interned two years in Darmstadt.

Prince Philip, brother-in-law of the late King Boris of Bulgaria, held the honorary rank of general in Hitler's Brown Shirts.

MOSCOW REPORTS WAVE OF BUYING

MOSCOW, Dec. 17—(AP) Izvestia, the government newspaper, declaring that "the consumer is boss" now in the Soviet Union, reported today continued wide-scale buying throughout the country with the end of rationing and issuance of the new currency.

Izvestia said 120,000 retail stores have been remodeled and reorganized and were now selling goods to citizens at the new low prices.

Several "dark spots" in the otherwise bright trade picture came in for mention. Izvestia singled out the trade minstries of Armenia, Moldavia and Uzbekistan as "lagging behind" and said stores in the Chelyabinski, Rostov and Kirov regions were "not sufficiently organized."

Izvestia said it was up to the workers to see that "all mass goods should reach the consumer," and called for the setting up of addi-

REDS REPORT RISE IN STORES

Moscow, Dec. 17 (A. P.).—The Government newspaper Izvestia published dispatches from many parts of the Soviet Union today reporting that since rationing was abolished Sunday there has been wide-scale consumer buying in a holidaylike atmosphere. Russians are trading their old rubles at rates varying up to ten for one in new currency under the revaluation decree.

Izvestia said that 120,000 retail stores had been repaired or organized in a short period and were selling goods.

"The stores have large quantities of goods," the newspaper reported.

The article cited the Trade Ministries of Armenia, Moldavia and Uzbekistan, however, as lagging behind in the development of trade.

"The network of stores in Chelyabinsk, Rostov and Kirov regions is not sufficiently organized," the article said. "Many

Russ Cite Progress On Atom Nucleus

Moscow, Dec. 17 (AP)—Sergei Vavilov, president of the U.S.S.R.'s Academy of Sciences, said today that the atom nucleus had opened to Soviet scientists great "new horizons."

Writing the leading article in a publication called *Science and Life*, Vavilov said that "Soviet physicists, chemists and engineers in different specialities are busying themselves on physical questions of the atomic nucleus, methods of liberating energy inside the nucleus, and allied problems."

Referring to two of the Soviet Union's atomic scientists—Petrazhak and Flerov—Vavilov said that they have discovered the wonderful fact of the spontaneous disintergration of the atomic nucleus in uranium."

The Russian statement does not claim anything new regarding knowledge of the disintegration of the atomic nucleus in uranium.

Intensified Red Activity Faces Reich Opposition

Frankfurt, Germany, Dec. 17 (AP). Political parties of Western Germany prepared today for a developing contest with communism for the minds of the German people.

The Communist party joined the battle with "alarm" telegrams sent from Berlin to all Communist points in Western Germany, proclaiming itself the only standardbearer of a united Germany.

Politicians of the Right and Left continued meetings in Frankfurt, drafting means to combat Communist propaganda.

Shun Final Split

Members of the Right-wing Christian Democrats, the Left-wing Social Democrats and the Liberal

Gravity Defied by German Toy Car

But Unusual Playthings Are Only for Export—Lack of Patent Rights Dams Up New Ideas

Nuernberg, Dec. 17 (A. P.).—Gustav Streb, a guard at the Schuco toy factory, gently laid a tiny red roadster on the table. It dashed to the edge, hung dizzily over the void, then did an about face and repeated the acro-

30.24- 14301

DEC 1947

Stalin Back From Vacation, Well Tanned And Reste

Moscow, Dec. 17 (AP)—Prime Minister Stalin returned last week from his vacation and persons who have seen him asserted that he looked well tanned and rested.

[Stalin will be 68 years old Sunday. He was reported to have spent his vacation on the Black Sea coast at Sochi and other resorts.

[Mario de Pimentel Brandao, who was Brazilian Ambassador to Moscow until leaving there last month, said in Stockholm on November 11 that Stalin's health was causing his doctors concern, and that they had ordered him to take things easy.]

As in previous years, there probably will be no special occasion made of the Prime Minister's birthday. In all probability, Stalin will go to his office as usual on Sunday.

On that day, balloting will begin for an estimated 1,600,000 local government bodies of the U.S.S.R. Stalin, himself one of the candidates, has been nominated by dozens of local groups in all of Russia's

Russians Develop Powerful Microscope

Moscow. Dec. 17 (AP)—A 100-kilovolt microscope able to magnify 200,000 times has been produced in the Soviet Union.

An announcement says members of the electron and microscope branch of the Ministry of the Electric Industry have been working on the mechanism for a year and a half.

Six Hungarians Condemned

BELGRADE, Dec. 17 (AP).—A Yugoslav county court has sentenced six accused Hungarian war criminals to death and two other defendants to prison for alleged mass killings in Northern Serbia during the German occupation. All the defendants were Hungarian colonists who had lived in Yugoslavia before the war.

TITO GOES TO ROMANIA FOR AID TREATY TALKS

BUCHAREST, Romania, Dec. 17 (AP)—Marshal Tito of Yugoslavia arrived today to hold talks with the Romanian government on a 20-year treaty of friendship and cooperation which would be the final link in a five-power Danubian defense chain.

Nine days ago Tito signed a mutual aid pact with Hungary and last month a similar accord was reached with Bulgaria. He said in Budapest that he planned to conclude the pact with Romania "in the near future."

Bulgaria and Albania signed a pact of friendship, collaboration and mutual aid at Sofia yesterday.

Tito was greeted at the station by the Romanian cabinet, led by Premier Petru Groza. The entire diplomatic corps, with the exception of the British, turned out in full strength. U. S. Minister Rudolph Schoenfeld arrived 10 minutes later, however, and missed shaking hands with Tito.

2 NATIONS DEFY U.N. PROBERS

DEC 1947

Bulgaria And Albania Agree To Exclude Border Unit

Sofia, Bulgaria, Dec. 17 (AP)—A communique concerning the newly signed Bulgarian-Albanian friendship pact said tonight that neither nation can "give any assistance whatever" to the United Nations commission investigating Balkan border disorders.

The communique said:

"The treaty is in the full spirit of the principles of the United Nations organization. . . . As regards the United Nations Balkan investigation commission, both delegations consider it is created in violation of the United Nations Charter and against the sovereignty of the Balkan nations.

"Cannot Assist Commission"

"That is why both Governments cannot give any assistance whatever to the commission and will not permit the commission to visit their territories. Neither country recognizes the commission. Both conference delegations expressed indignation at not being accepted as members of the United Nations organization."

A Bulgarian Government announcement said the friendship treaty would run for 20 years and that it bound each nation to come to the aid of the other in case of attack by a third country.

RIFT IS REPORTED IN GREEK CABINET

ATHENS, Dec. 17 — (AP) Friction within the three-months old Liberal-Populist coalition government developed tonight.

Premier Themistokles Sophoulis, Liberal, and Vice Premier Constantin Tsaldaris, Populist (Royalist) leader, conferred more than an hour.

Tsaldaris said in a statement later they discussed lack of full cooperation between the two parties and agreed to meet again tomorrow in an effort to clear things up.

The vice premier said certain actions had been taken in the government's fight against guerrilla forces by unnamed cabinet members without previous cabinet sanction.

Government circles said that it was well known that strong elements within the Liberal and Populist parties have been sparring undercover for some days and that each group was seeking American blessing should a real crisis develop.

Several days ago, it was learned, Dwight P. Griswold, chief of the American mission to aid Greece, called on Sophoulis and then U. S. Embassy Counsellor James Keeley visited Tsaldaris in connection with reports of a rift.

TO ENTER BATTLE, ARAB LEAGUE SAYS

Proclaims Intention To Fight To End In Palestine

Cairo, Dec. 17 (AP) — The Arab League proclaimed tonight its intention to "enter the battle" against United Nations partition of Palestine and to carry the fight to "its victorious end by the will of God."

The statement was contained in a communiqué issued at the end of prolonged conferences here of premiers and foreign ministers of the seven Arab nations in the league on steps to be taken to combat partition.

"As passions and selfish interests have prevailed in the United Nations and closed the doors of right and justice in the face of the Arabs, they are determined to enter the battle into which they were forced and will carry it to its victorious end by the will of God," said the communiqué.

'Justice Will Prevail'

"Then the principles of the United Nations will be restored and the principles of justice and equality among all peoples will prevail in the Holy Land."

Representatives of Egypt, Trans Jordan, Saudi Arabia, Yemen Lebanon, Syria and Iraq have been meeting here more than a week.

Nuri el Said Pasha, chief member of the Iraq delegation in the United Nations Assembly, said the United States Government has broken a pledge given by Gen George C. Marshall, Secretary of State, that America would not bring pressure on other nations to support partition.

He said the Arabs were amazed that despite Marshall's pledge "the highest American officials used pressures and threats by telephone calls and cables to the Presidents of the American republics and European countries in need of American money, food or weapons."

2 Jews Found Dead In Old Jerusalem

DEC

Jerusalem, Dec. 17 (AP)—Police said that two Jews, "obvious victims of foul play," were found dead in the old city today, raising the death toll in seventeen days of Arab-Jewish strife to 262.

Of those slain in arguments over partition, 131 were Jews, 120 were Arabs, 8 were Britons and 3 were of other nationalities.

A British police sergeant was killed and another was wounded seriously during the night.

Violence, however, appeared to be tapering off, and this morning was the quietest since the United Nations decision to partition Palestine touched off the wave of disorders.

There were reports that a Jewish band had attacked the Arab residential area of Wadi Jose, near Herod's Gate in Jerusalem, just before dawn, but police could not confirm these reports.

Curfew Breakers Fired On

Police fired two shots at curfew breakers in Jerusalem's commercial center, but there was no other word of serious violence.

The precarious postion of the Jews in Arab areas resulted, however, in the closing of the Kallia Hotel on the Dead Sea—the Holy Land's swankiest winter resort, which is owned by Jews and staffed by both Arabs and Jews.

Police were unable to place the blame on anyone for the attack on the two British sergeants last night. One police report said that Jews fired at the men, while another blamed the attack on Arabs in a stolen armored car.

Council Report Delayed

In Cairo, Haj Amin el Husseini, the exiled Mufti of Jerusalem, indicated the Arab League's announcement on its "council of war" against Palestine partition may be made public tonight. It had been expected yesterday, but was postponed while leaders of the seven Arab League nations considered it further.

Also in Cairo, Samir al Rifai Pasha, Premier of Trans-Jordan, announced Arab Legion troops will not be withdrawn from Palestine as long as British troops remain in the Holy Land. Jewish leaders have demanded the withdrawal of the British-commanded Legionnaires, a detachment of whom machine-gunned a truck convoy near Tel Aviv on Sunday, killing fourteen Jews.

The High Commissioner of Palestine, Sir Alan G. Cunningham, received the Jewish Agency political chairman, Mrs. Golda Myerson, at her request today and heard a formal plea for the withdrawal of the Arab Legion troops. The two also discussed other aspects of the Palestine situation.

2 Jews Killed; 17-Day Palestine 'War' Slows

Jerusalem, Dec. 17 (AP)—Jewish-Arab warfare slowed in the Holy Land today after seventeen days of violence that claimed 263 lives. Two Jews were slain in Palestine, including a man carrying an American passport issued to Israel Schreiber.

His body was found in a sack on a rubbish heap outside Jerusalem this afternoon. He had been shot through the head. Relatives said Schreiber was 76 and had come to Palestine 25 years ago. They said he at one time lived in New York city.

The man was one of two Jews police said were killed by "unknown" assailants. The seventeen-day total included 131 Jews, 121 Arabs, eight Britons and three others.

Farouk Receives Delegations

In Cairo, King Farouk took a personal hand in the Arab world's plans to prevent the United Nations from carrying out its November 29 decision to set up separate Jewish and Arab states in Palestine. He received six Arab league delegations for 20 minutes each.

Quiet prevailed in the Middle East, although in Syria and Lebanon roadblocks pockmarked the landscape and travelers' passports were checked carefully.

In Palestine a bid by British civil officers for peace in the beleaguered Jaffa-Tel Aviv borderland area met with failure. G. M. Levack, assistant district commissioner, held peace talks with mayors of the two suburbs in the area, but achieved no definite results.

Two Wounded In Desert

In addition to the deaths in Jerusalem, violence in the Holy Land today included the wounding of two Jewish settlement police in the southern desert when Arabs sniped at the settlement of Nevadim.

Police said a fierce but brief gun battle raged near an Arab village outside Jerusalem before daybreak without casualties. The report said 30 to 40 Jews in khaki uniform approached the village and opened fire when challenged by Arab sentries.

The British Army moved three columns of troops into the southern desert to augment Jewish settlement defense by Hagana, the Jewish defense army. One was stationed at Nevadim, another at Halutza and the third at the outskirts

of Gaza.

Remove Arabs, Britain Asked

Sir Alan Cunningham, the Palestine High Commissioner, received from Mrs. Golda Myerson, political chairman of the Jewish Agency, a plea for withdrawal of the Trans-Jordan Arab Legion from Palestine. The Trans-Jordan Premier has said the legion would not be withdrawn as long as British troops remain in Palestine. The Arabs are being used by the British for police duties.

The Jews asked withdrawal of the legion after a legion detachment machine gunned a truck convoy near Tel Aviv Sunday and killed fourteen Jews.

China Embarking On A Bleak Winter

DEC 1947

Shanghai, Dec. 17 (AP)—China is embarking on a bleak winter which threatens to be her period of greatest suffering, with the civil war in central regions and Manchuria showing no signs of abatement and her shaky economy undergoing still more shocks.

Peiping dispatches report that Chiang Kai-shek's field headquarters have been conducting conferences since Monday to map a defense for Manchuria, nearly twice as large as Texas.

A report from the Manchurian metropolis of Mukden to the influential Shanghai newspaper *Shun Pao* said two Communist columns were pushing southward toward Houpangtze, village on the Peiping-Mukden railway north of Chinhsien.

Kaiyuan Again Attacked

Another attack was aimed at Kaiyuan, oft-battered city north of Mukden on the rail line to Changchun, Manchuria's capital.

There were rumors in Peiping that the military conferences considered withdrawal of Government forces from Changchun and Kirin, but they were denied by Chu Hsin-min, director of the Peiping Government Information Office.

The Government's Central News Agency reported that in central China Red marauders under Generals Chen Yi, Chen Keng and Liu Po-cheng were converging from three directions on the Niufushan mountain region in southwestern Honan province.

Reds May Seek Merger

Military observers in Kaifeng were reported as interpreting the Communist moves as an effort to merge the forces of Chen Yi and Chen Keng in western Honan, while Liu advances against a heavy Government line east of the Peiping-Hankow rail line near Hsinyang.

Meanwhile, China's economic ailments worsened. Rice, the nation's chief staple, increased in price to 1,040,000 Chinese dollars (nearly $6.50 United States) per picul (133 pounds), from a previous all-time high of 960,000 per picul.

Japs Serve China, Charge

San Francisco, Dec. 17 (AP)—The Chinese Communists, in a broadcast monitored by the Associated Press, charged today that "thousands of Japanese soldiers are still serving Kuomintang troops" and that six officers were captured in October.

The Red radio, its daily broadcast emanating from a secret station which the Communists say is somewhere in north Shensi province, quoted a former Japanese army surgeon—A Captain Tsuyuki—as saying that about 5,000 Japanese officers and men were recommissioned by Chinese Gen. Yen Hsih-san as a "peace preservation corps."

Chinese-Red, U.S.S.R. Pact Is Rumored

Nanking, Dec. 17 (AP)—Published reports that the Russians and the Chinese Communists had signed a military-economic mutual assistance pact were back in Nanking today—but still without confirmation.

Nor was there any more indication of a source for the dispatch than when it first appeared in a Nanking tabloid. The reports have traveled southward to the British colony of Hong Kong and back.

The Nanking paper, *China Review Times*, carried the dispatch December 14 as originating from its own correspondent in Mukden, Manchuria. But the correspondent didn't indicate a source.

Circulated in Mukden

Associated Press sources in Mukden said a similar report had circulated there, pegged to reports from Changchun, the territorial capital.

But Changchun is isolated, a wintry Government-held city whose only communication is by radio to Nationalist quarters.

Russian sources in Nanking denied the reports. Other sources here said the report apparently "just grew"—as many have since the outbreak of the civil war.

China to Regulate Cotton Trade

NANKING, Dec. 17 (AP).—A government spokesman announced today that the National Economic Council will soon establish government control over the marketing of China's cotton and cotton products. The announcement, by Information Director Hollington Tong, confirmed reports that the government intends to halt speculation in those commodities by contracting for the entire output of China's mills. Mr. Tong said cotton goods will be marketed at controlled prices.

China Names Envoy to Brazil

Nanking, Dec. 17 (A. P.).—The Foreign Office announced today the appointment of Dr. Quo Tai-chi as Ambassador to Brazil, succeeding Cheng Tien-ku, resigned. Dr. Quo is the Chinese member on the United Nations Security Council.

To Exchange Reds And UNRRA Men

Tientsin, China, Dec. 17 (A. P.).—Garrison authorities received orders today to permit seven Communists to proceed to Red territory, where they will be exchanged for a like number of UNRRA employees, who have been detained at the village of Huitsaiyu, 135 miles south of Tientsin. The UNRRA group includes two Americans.

The Communists had been working on relief distribution under pledges of immunity.

Stars Ominous to Dalai Lama, Tibet Seals Borders Until 1950

LONDON, Dec. 17 (AP).—A British soldier-scientist reported today that the borders of Tibet have been closed to foreigners until 1950, following warnings by official astrologers that the Dalai Lama, the little-known country's spiritual and temporal ruler, was in grave danger.

Group Captain A. F. Bandidt, who led secret Royal Air Force missions in Asia during the war, said that a British scientific expedition to the Tibetan Himalayas—"The Roof of the World"—had been canceled as a result of the closing of Tibet's frontiers. Captain Bandidt had been scheduled to fly supplies to the expedition to facilitate an ascent of 29,141-foot Mt. Everest.

He said the Dalai Lama's attendants had become "increasingly alarmed over unfavorable aspects of his horoscope which indicated utmost precautions against foreigners were necessary."

Unofficial but well informed quarters here suggested the move was dictated by fear of Communist infiltration.

The Dalai Lama, considered by Tibetans to be the fourteenth reincarnation of their first leader (Avalokitesvara, the great bodhisattva), is celebrating his fourteenth birthday today. He supposedly was born on the very hour that his predecessor died Dec. 17, 1933. He is now being educated by monks in the sacred city of Lhasa, and his administrative duties are carried out by advisers acting in his name. Under Tibetan custom, he will take over his duties in 1951.

British astrology devotees said they were unable to explain the alarm of Tibetan astrologers "because they follow entirely different methods than we do." Some amateurs, however, said the stars warned persons born on Dec. 17 to beware of "intrigue and deception" in 1948.

The Nepal Legation, which handles Tibetan affairs in London, said it had no knowledge of the decision to close the border. It disclosed that a Tibetan trade delegation is coming to London soon.

The Dalai Lama has been named Jampel Ngawang Lobsang Yishay Tenzing Gyatso, which means "Tender Glory, Mighty in Speech, Excellent in Intellect, Absolute Wisdom, Holding to the Doctrine, Ocean-wide."

[Dispatches from Shanghai last spring reported a renewal of warfare between followers of the Dalai Lama and those of the ten-year-old Panchen Lama, rival spiritual ruler of Tibet. The dispatches said that Jecheng, pro-Chinese former Panchen regent, had been blinded and then killed by poison on charges of plotting to overthrow the Ihasa regent. "To Kung Po," independtn Shanghai newspaper, described Jecheng as having been an object of the "envy and attention of pro-British elements."]

Togo Testifies He Opposed Sneak War On U.S.

DEC 1947

Tokyo, Dec. 17 (AP)—Japan's wartime Foreign Minister Shigenori Togo told the International War Crimes Court in effect today that some of his country's naval and political leaders double-crossed him in executing their sneak attack on Pearl Harbor, and he said he proposed "to tell the full truth as it is known to me."

In a 3,600-word statement, which his attorney, Ben Bruce Blakeney, began reading today, Togo gave the fullest version of secret plottings that the court has heard in its nineteen-month session. Involved were many of Togo's 24 fellow defendants.

Opposed Surprise Attack

He alone, he declared, stood among the Japanese leaders and fought against a Japanese Navy plan to begin the war against the United States without warning, while diplomatic negotiations still were continuing.

[Actually, this is exactly what happened, for the Japanese note breaking off relations with the United States was delayed in delivery. It had been scheduled for delivery in Washington some twenty minutes ahead of the Pearl Harbor attack.]

Togo asserted that "since the end of the war—or more precisely—since the beginning of this trial—the Japanese Navy has taken the line that nothing was ever further from their intention than to mount a 'surprise attack' against the United States. . . . It is clear my testimony on this point . . . is in conflict with that of other defendants. . . ."

Togo's statement said that at a conference in December, 1941, he had remarked that he "assumed" customary warning would be given America.

Warning Was Delayed

"I was immediately met, however, with a statement by the late Admiral Osami Nagano, chief of the naval general staff (a fellow defendant who died during this trial) that the navy wished to carry out a surprise attack. . . ."

Togo rejected this suggestion, his statement related; he termed it "'highly improper,' and said the conferees should think of Japan's 'national honor and repute.'"

The navy later agreed, he said, to warn America a "sufficient time" before the attack.

Afterward, he said, he heard from the American radio that the scheduled delivery time was only twenty minutes before the bombs fell. He confronted Admiral Seiichi Ito and protested, and Ito's "reply was evasive—to the effect that 'I am sorry for you; we cut it too fine.'"

The "unanimous decision" to plunge into war, his statement said, had been made December 1, 1941, a week before the attack.

G. I.'S GET YULE MAIL

Tokyo, Dec. 17 (A. P.).—It appears that Christmas in Japan and Korea this year will be a bangup affair—at least for occupation troops and American civilian personnel.

Army postal authorities announced today that 200 tons of Yuletide packages would arrive aboard the S. S. General Meigs December 22—just in time for distribution by a khaki-clad Santa Claus. Packages for Korea will be forwarded from the port of Yokohama by plane.

About 250 tons of Christmas packages already have been delivered. In addition to ship deliveries, six planes are bringing an average of eighteen tons of first-class mail to Japan weekly and will continue the schedule until after the Christmas rush.

30.24- 14303

Theater Named For Writer

Yokohama, Dec. 17 (AP)—The William Chickering Theater, named in honor of the *Time* magazine correspondent killed June 1, 1945, in a Japanese *kamikaze* attack on the battleship New Mexico, will be dedicated here December 20. High-ranking officers will attend the ceremonies.

Beel Reaches Java To Speed Talks

DEC 1947

Batavia, Java, Dec. 17 (AP)—Dr. Louis J. M. Beel, Premier of the Netherlands, arrived here today by plane and said the purpose of his visit included "speeding up" the formation of a federal government for Indonesia.

In a prepared statement read to reporters, Dr. Beel said he was particularly interested in "speedy construction of a federal organization."

"In regard to the appeal of K.I.S. [an organization of prominent non-Republican Indonesians which seeks the early formation of a Federated United States of Indonesia], I hope to assist in speeding up this process," he said.

Repeats Denial

The Premier repeated a denial made earlier in Holland that his trip, or those planned in the near future by Overseas Minister J. A. Jonkman and Economic Minister William Drees, had any "direct connection" with the United Nations sponsored Dutch-Indonesian Republic peace negotiations now in progress.

"This is completely incorrect," Beel said. "We have a delegation for these talks and I hope the delegation will fulfill its task with good results."

The Premier plans to leave by plane tomorrow to visit Dutch-controlled East and South Sumatra. In those areas he expects to go to Palembang and Medan before returning here Saturday.

AID LIMIT SET BY ARGENTINA

DEC 1947

$5,000,000,000 Intended Only For Latin America

Havana, Dec. 17 (AP)—Diego Luis Molinari, chief Argentine delegate to the Havana trade conference, said today his country was ready to furnish 1,000,000 tons of grain a month under a $5,000,000,000 credit plan he proposed for the development of Latin American countries.

He emphasized that his proposed program was only for the economic benefit of Latin America and was not to be interpreted as part of the Marshall plan for European postwar reconstruction.

"Putting money into Europe now is the same thing as throwing money into a barrel without a bottom," Molinari said.

Misunderstood At First

At a press conference last night when Molinari first announced that his Government was prepared to offer $5,000,000,000 in credits, most newsmen understood him to say the offer was to be considered as part of the Marshall plan.

He said today his reference to the Marshall plan last night was intended to express the idea of a reconstruction program for Latin American countries, similar to the Marshall plan, with Argentina extending the credits.

"Argentina is ready to lend $5,000,000,000 and possibly more, provided world peace and quiet can be achieved, for the economic development of Latin America," Molinari said today.

Compensated Credits

"This money will be available in gradual and compensated credits to consolidate the economy of Latin America. Argentina is ready now to supply 1,000,000 tons of grain per month under our plan."

[In Buenos Aires, Argentine Government sources said today that they did not know how Molinari had reached the $5,000,000,000 figure, but said he might have had in mind that Argentina's present grain crop would be large and that much of it would be sold on credit to foreign countries.

[James C. Bruce, United States Ambassador, conferred today with President Juan D. Perón of Argentina, but said they did not discuss the matters of credits.

[Juan Bramuglia, Foreign Minister, said he would hold a press conference Thursday to discuss Molinari's statements. Some foreign office sources said they believed Molinari's figure include credits already given.]

HOUSE VOTES CUTS IN EUROPEAN AID, OCCUPATION FUNDS

DEC 1947

88 Million Slashed from $597,000,000 Stopgap Relief Program.

VOICE BALLOT TAKEN

Amount Asked for Army Costs in Germany, Japan, Korea Sliced in Half.

WASHINGTON, Dec. 17—(AP)—The House passed by voice vote and sent to the Senate late today an appropriations bill slashing the $597,000,000 emergency foreign aid program by $88,000,000.

The bill also cut the amount asked by the Army for occupation costs in Germany, Japan and Korea from $490,000,000 to $230,000,000.

House action came on the same day that President Truman signed, without ceremony, a bill authorizing up to $597,000,000 in supplies to help France, Italy, Austria and China through the Winter.

The House Appropriations committee, bringing in a bill to provide the actual funds, recommended the cuts and eliminated China from the program, however, and the House in today's vote upheld the committee's decision.

Senate May Restore Cuts

The Senate still may restore all or part of the cuts voted by the House and may seek to get China back into the program.

In addition, House Appropriations committee members indicated that the Army will get more money for occupation if a "satisfactory" agreement is reached with Great Britain on operation of the Anglo-American zone of Germany. (An agreement was signed in Washington but there was no immediate indication whether it would satisfy the committee.)

The funds voted today were part of a $773,202,000 bill which also appropriated funds for congressmen's mileage allowances and other routine government expenditures.

Informed that the bill had been passed by the House, Chairman Bridges (R-NH) said he would try to get the Senate Appropriations committee, which he heads, to meet tomorrow afternoon to vote on the amount of aid it favors.

Bridges Favors Aid for China

Bridges told reporters that personally he favors including funds for China in the aid program but has not decided what can be done about it by his committee.

"China has been the orphan child in consideration of the United States," Bridges said. "It deserves a high priority in the attempt to stop the spread of totalitarianism and Communism in the world."

Bridges said he hopes the Senate Appropriations committee can have a bill ready for Senate voting by noon Friday although this may involve suspension of rules.

Prompt aid to China was urged in testimony before Bridges' committee earlier in the day by William C. Bullitt, former U. S. Ambassador to Russia, and Lt. Gen. Albert C. Wedemeyer, author of a long-secret report to Mr. Truman on Chinese conditions.

Bullitt, asserting that "while the Soviet government is arming our enemies, we refuse to arm our friends," said arms for China should be given priority even over emergency aid to Italy, France and Austria.

The bald, plain-spoken Philadelphian said the State department had "based its policy on the completely fatuous theory that the Soviet government is a peace-loving country and that the Chinese Communists are merely agrarian reformists having no connection with Moscow."

Noting that the department did not include China in its interim foreign aid program, but promised to present a Chinese aid plan after the first of the year, Bullitt said "fortunately the State department is now awake."

Wedemeyer told the committee that this country's aim should be "to retard, then to block, and then to penetrate back into those areas which have come under the orbit and influence of a power that has world power and world expansion in its program."

He said it was "urgent" that Chiang be helped, adding it didn't matter whether the generalissimo is "a benevolent despot, which he practically is." What does matter, Wedemyer said, is that Chiang is fighting Communism.

Despite pressing from Bridges Wedemeyer declined to tell the senators what was in the report he made to Secretary of State Marshall and the President after his inspection tour of China for the President last year.

"As a soldier, my commander-in-chief has directed me to maintain security on that report," the general said firmly.

White House sources disclosed meanwhile that an independent economic administration to run the proposed "Marshall program" of long-range aid to Europe will be recommended in Mr. Truman's message to Congress tomorrow or Friday.

These aides said the proposed new agency would be headed by a single administrator, aided by a deputy administrator and represented abroad by a roving ambassador. All three would be appointed by the President and subject to confirmation by the Senate.

The administration would be independent of the State department except on broad policy questions, and the administrator would be given authority to make cash grants or credits at his own discretion, the informants said.

Mr. Truman is expected to ask around 16,000,000,000 or $17,000,000,000 for the program for the next four years.

TRUMAN EXPECTED TO ASK 17 BILLION FOR EUROPEAN AID

DEC 1947

WASHINGTON, Dec. 17—(AP) President Truman is expected to ask Congress Friday to vote specific authorization for around $17,000,000,000 to underwrite European recovery over the next four years, high officials said today.

As Mr. Truman completed the draft of his special message, these officials disclosed that a single total figure has been recommended to him by the budget bureau in place of the elastic range used previously in estimating the overall cost of the Marshall plan.

Secretary of State Marshall told Congress early last month the four year program beginning March 31, 1948, probably would cost the United States from $16,000,000,000 to $20,000,000,000,. He and other administration officials sidestepped more definite figures, saying uncertainties about prices, future crop yields and other factors made it impossible to become more specific.

The $17,000,000,000 figure now being used as a basis for calculation, these officials said, may go abbut $650,000,000 higher if President Truman decides to incorporate the amount of funds needed by the army in Germany next year for routine occupation expenses.

In explaining the change in strategy, these officials said, the budget bureau felt the administration should get approval for authority to spend a specific sum in order to meet legislative requirements.

SUBPOENA DIRECTS AGRICULTURE HEAD TO APPEAR TODAY

Says He Will Face Committee But Indicates Lack of Information Sought.

SECRET SESSION HELD

Move Taken as Senate Group Pushes Hunt for 'Insiders' in Mart Dealings.

WASHINGTON, Dec. 17.—(AP) In its quest for any government "insiders" who speculated in the grain markets, the Senate Appropriations committee served a sweeping subpoena on Secretary of Agriculture Anderson today calling for his records on commodity traders.

Anderson told reporters he would appear before the committee tomorrow, as the subpoena directed. But he declined to disclose in advance whether he will supply the

information demanded.

The subpoena was served on Anderson because his department supervises the exchanges and because he has contended that he is prevented by law from publicizing the names of traders.

Lack of Data Claimed

He told a news conference that some of the information the committee sought is not in the hands of his department and could not possibly be supplied tomorrow.

J. M. Mehl, administrator of the Agriculture department's commodity exchange authority—the agency which polices the markets—said the information asked by the committee covered billions of transactions in 18 futures markets.

Anderson said facetiously that he probably could supply the data if Congress gave him 20,000 men and five years to do the job. He later amended the statement, saying he did not know how many persons or how long it would take to compile the information.

He said it would be necessary for the department to go to the books of more than 600 commission merchants to assemble the information. He added that he does not believe it necessary to provide all the data requested by the committee in order to show what "the public wants."

Subpoena Voted 10 to 8

"And that's to know whether government insiders have profited in commodity transactions," he said.

The committee, which is digging into reports that government officials have been speculating in grain and other foodstuffs, reached its decision by a vote of 10 to 8. The position of individual senators was not announced.

At the end of a one-hour closed session, Bridges told reporters:

"After some discussion, the committee has just decided, by majority vote, to subpoena Mr. Anderson to appear before it at 9:30 tomorrow morning with all his books, records and memoranda."

Anderson has taken the stand that the Commodity Exchange Act forbids his release of the information. He has suggested that Congress change the law if it insists on the data.

The appropriations committee's decision was preceded by these rapid-fire developments:

1. The Senate Republican policy committee decided that Anderson should be ordered to appear before the Appropriations committee with the information.

2. The House Rules committee sent to the House floor a resolution to establish a seven-member committee to investigate speculation in the commodity markets, especially by persons connected with the government.

Taft Blocks Senate Move

3. Senator Taft (R.-Ohio) blocked immediate consideration by the Senate of legislation offered by Minority Leader Barkley (Ky.) to authorize Anderson to make the names of speculators public.

Taft, chairman of the Republican policy unit, told the Senate he objected to Barkley's proposal because "it seems unwise to establish a precedent every time a member of the cabinet refuses to give information to Congress, we have to pass a special law to get it."

Chairman Bridges (R.-N. H.) meanwhile called a closed-door session of the Senate Appropriations committee to consider steps to force Anderson to hand it the list of traders. Bridges opposes the enactment of special legislation on the matter, except as a last resort.

It was Bridges' committee which heard Edwin W. Pauley testify that he was heavily involved in commodity trading when he accepted appointment as a special assistant to Secretary of the Army Royall.

Pauley told the senators, however, that he had undertaken orderly liquidation of his holdings, and that he never used any inside government information in his trading activities.

CHANCES SEEN DIM FOR PASSAGE OF G. O. P. PRICE BILL

DEC — 1947

Shelving of Anti-Inflation Program Indicated as Adjournment Nears.

CREDIT BILL VOTED

Senate Favors Restoration of Controls on Consumer Installment Buying.

WASHINGTON, Dec. 17 (AP)—Chances for congressional action in 1947 on any anti-inflation legislation all but vanished tonight as the Senate recessed without reaching a vote on a three-point Republican proposal.

With the special session tentatively scheduled to adjourn Friday, both the G. O. P. measures and the 10-point program requested by President Truman appeared destined to be held over until the regular session in January.

G. O. P. to Push Fight Today

When the Senate quit for the day, Senator Taft (R-Ohio) told reporters Republicans will continue their efforts tomorrow to get a bill passed. He said that if Senate action "can be obtained early enough," House leaders may be able to make some arrangements to consider the measure there before the scheduled Friday adjournment.

However, a Democratic official who declined use of his name, told a reporter there is "almost no chance" that the Senate can vote on the bill finally tomorrow.

Taft said he personally would not agree to a delay in the Friday adjournment schedule, commenting that members of Congress and arrangements made to go home for Christmas and could not get new reservations if they delayed leaving.

"I think the Democrats have decided that they don't want anything passed," the Ohioan told reporters. "They can block this bill if they want to and I think they want to."

Favor Return of Credit Curbs

The senate did approve one bit of legislation aimed at curbing the rising cost of living but even this was unlikely to reach the House in time for consideration before adjournment. By a voice vote the senate approved a bill restoring controls on consumer installment buying through March 15, 1949.

But Chairman Wolcott (R-Mich) of the House Banking Committee said "there just isn't time" for the House to act on the measure. His committee has not yet taken up a similar bill, which was one of the major points in the administration program.

After disposing of the credit bill, the Senate became embroiled in protracted debate over a provision of the Taft measure which would authorize voluntary industry-wide agreements designed to hold prices in line under temporary suspension of the anti-trust laws.

Democratic Leader Barkley, of Kentucky, offered an amendment which would give the President "mandatory" power to require industry to parcel out scarce cost of living commodities.

Taft shouted this would impose "compulsory controls" over all of industry.

Defending his proposal Barkley shouted back:

"I don't think the President of the United States ought to be required to huckster among business."

Taft said he was "disappointed" that Barkley had attempted in his amendment to "change the whole policy of the bill." He predicted that a majority of the Senate would reject the Barkley amendment.

If that amendment is turned down, Senator O'Mahoney (D-Wyo) said the Democrats will seek to strike out a section of the Taft bill which provides for voluntary industry agreements to parcel out scarce commodities and materials.

Taft said that if this section should be deleted, he would let the bill go by default.

"I don't think it would be worthwhile to pass it without that section in it," he declared.

The Barkley amendment was finally put aside for a possible vote tomorrow.

Just before the Senate recessed Senator Pepper (D-Fla) offered another amendment which would freeze all prices and wages at existing levels until Feb. 28. Pepper said this stop-gap procedure would give Congress time to study a permanent program.

KNUTSON TO OFFER NEW TAX CUT BILL

DEC — 1947

Measure to Benefit 6,000,000 Low Income Persons Goes to House Today.

WASHINGTON, Dec. 17 — (AP) A $5,300,000,000 or more income tax-slashing measure will be introduced in the House tomorrow by Rep. Knutson (R-Minn), setting off a new clash between Republicans and the White House that may echo in the 1948 presidential campaign.

It will propose that 6,000,000 low income persons be taken from the tax rolls, and that reductions be given to the other 42,500,000 taxpayers.

No Action Until January

House Speaker Martin (R-Mass) told reporters there will be no action on the bill until January. This will afford time to gauge reaction before Republicans take a policy stand on the bill, which he said was Knutson's "own."

The measure boosts by over a billion dollars the two $4,000,000,000 tax reduction bills that President Truman killed with vetoes earlier this year.

Republicans have made tax-cutting a major element in their proposed long-range substitute for Mr. Truman's plan to battle inflation with price-wage controls and rationing powers.

The President, in his two veto messages, said tax reduction would aggravate inflation by increasing the spending money that bids up prices of scarce goods. He also argued the previous Republican measures would give too much to persons with large incomes and too little to low income taxpayers; and besides, he thought first emphasis should be put on debt payment.

There has been no indication that Mr. Truman has changed his mind.

Measure 'Veto Proof'

However, Knutson, chairman of the tax-framing House Ways and Means committee, has revised his measure in an apparent effort to make it "veto proof"—by taking millions of small income persons off the rolls completely.

Rep. Vursell (R-Ill) told the House today, if the President wants to reduce the high cost of living, he should cooperate with the congress to reduce taxes which would help every laborer, farmer, professional and businessman." He added:

"Instead of giving away billions of dollars in the proposed Marshall plan to other nations which will have to be taken out of the pockets of the American taxpayers, we should reduce tax rates in the interest of our own people."

Resolution by House Group

WASHINGTON, Dec. 17 (AP).—The House Foreign Affairs Committee approved today a resolution asking the Administration to explain why it does not stop scrapping German industrial plants and let Congress determine whether the plants are needed for European economic recovery.

The committee action simply sends the resolutions to the House floor. A Senate committee recently received testimony that some German plants in the American zone are still being dismantled and sent to the Soviet Union as war reparations.

The resolution also asks whether industrial plants have been removed beyond the limits set by the Yalta agreement among Britain, Russia and the United States; whether farm produce has been shipped out of Germany which would help feed civilians and ease the financial drain on this country, and whether harbor and transportation facilities have been removed and will have to be replaced under the American foreign-aid program.

GEN. GROVES NAMED FOR THREE STARS

DEC — 1947

Washington, Dec. 17 (AP)—Major-Gen. Leslie R. Groves, who heads the military side of atomic activities, was nominated by President Truman today for a lieutenant-generalcy. Mr. Truman sent Grove's promotion to the Senate for approval.

Groves, who supervised the original atomic bomb project as chief of the former Manhattan Engineering District, holds two important posts in the atomic energy setup. He is a member of the Military Liaison Committee of the Atomic Energy Commission—the group which gives the uniformed services their contact with the all-civilian commission—and head of the Armed Forces Special Weapons Project, an organization enshrouded in secrecy, but known to include nuclear fission in its studies and research.

Groves, 51, was a brigadier when the late President Roosevelt designated him to take over the direction of the atomic bomb project in 1942. He was promoted to two-star rank at about the time of the first test blast, in 1945.

Children Donate Yule Candy For French

New York, Dec. 17 (AP)—Christmas candy donated by 600 children of Locust Valley, Long Island, was scheduled to leave LaGuardia Field today by Pan American Airways clipper for London on the first stage of its journey for delivery to the French village of St. Mere Eglise.

The Normandy town, one of the first to be liberated by Allied forces, has been adopted by Locust Valley under its newly-inaugurated community project known as "Operation Democracy."

The candy, traditionally given to the school children by Locust Valley residents, was sent overseas instead at the request of the Locust Valley children.

30.24- 14305

Bullitt Asks Arms For China To Curb Reds

DEC 1947

Washington, Dec. 17 (AP)—William C. Bullitt, former ambassador to Russia, called on the United States today to supply arms to China to fight communism, saying that "while the Government is arming our enemies, we refuse to arm our friends."

Lieut. Gen. Albert C. Wedemeyer, who made a special survey in China last summer for President Truman, joined Bullitt in urging the Senate Appropriations Committee to provide relief for Generalissimo Chiang Kai-shek's Nationalist Government as part of the emergency foreign aid program.

Says U.S. Broke Promises

Wedemeyer testified that Chiang has "leaned over backward" to keep his promises to the United States, while the American Government has broken those made to him.

Bullitt said Chinese aid should have priority even over emergency aid to France, Italy and Austria. Congress wrote China into a bill authorizing emergency foreign aid which Mr. Truman signed today. The committee is considering provision of funds under that bill.

Bullitt said the State Department has had ample time to prepare a relief program, although it has promised only to present one to Congress after the first of the year.

Based On False Premise

"Unfortunately the department based its policy on the completely fatuous theory that the Soviet Government is a peace loving country and that the Chinese Communists are merely agrarian reformists having no connection with Moscow," Bullitt said.

He added that "fortunately the State Department is now awake," but there is a time lag between its thinking and its planning.

Several Senators asked Bullitt whether he feels the State Department is now obstructing further aid to China.

He said he would prefer not to answer directly but he added "it is well known in Washington" and elsewhere that our Ambassador at Nanking, J. Leighton Stuart, "sends urgent telegram after urgent telegram" asking additional help and that "he receives in many cases not even the courtesy of a reply."

Favors MacArthur For Post

Since military consideration is paramount, Bullitt continued, he has urged that Gen. Douglas MacArthur be sent to Nanking.

He also mentioned Gen. Mark Clark as a possibility.

Although this country gave arms and ammunition to the Chinese during the war, Bullitt said, it banned all exports to China from May, 1946, to May, 1947, and since then "the Chinese have not received a single cartridge to put in an American rifle or a single shell to put in American artillery."

Wedemeyer declined under committee questioning to disclose the contents of the report he made after his China tour. He said he reported his findings to the State Department, but that they will not be released.

"As a soldier, my commander in chief has directed me to maintain security on that report," he testified. "I would be embarrassed if the committee asked me to reveal the contents of my report without the authority of the President or the Secretary of State."

Hits At "Ideology"

Without mentioning Russia by name, the General said the United States is "confronted with the expansion of an ideology throughout the world."

Our aim, he continued, should be "to retard, then to block, and then to penetrate back into those areas which have come under the orbit and influence of a power that has world power and world expansion in its program."

He said it does not matter whether Chiang is "a benevolent despot, which he practically is." The important fact, he said, is that Chiang fights communism.

U. S. TO PAY MORE OF GERMAN COSTS

Signs New Financial Accord With Britain on Running Combined Zones.

WASHINGTON, Dec. 17—(AP) The United States formally agreed tonight to pay between 80 and 90 per cent of the cost of running the combined British-American zones of Germany.

Ending nine weeks of discussions with the British, Undersecretary of State Lovett signed a new financial accord which commits the American government to contribute about $400,000,000 more annually, raising the total American cost to about $800,000,000 yearly in 1948.

U.S. Gets Controlling Voice

In return the British government gave a controlling voice to the United States in 2 of the key economic agencies guiding economic activity in the merged Western zones. These are the joint export-import agency and the joint foreign exchange agency.

Britain's 1948 contribution toward operating the two zones was estimated in a summary to be about $121,000,000, all in sterling. The United States will bear all the dollar expenses involved.

The exact percentages which Britain and the United States will bear could not be stated immediately because the agreement is retroactive to November of this year.

Britain's contributions will include making available 12 ships monthly to pick up food, raw materials and fertilizer from American East coast ports and carrying them to Germany. In addition the British promise to make available 33 additional loadings to make up for loadings unfilled during November and December.

Britain also agreed to convert up to $40,000,000 in sterling into dollars during 1948 from the cash on hand in the joint export-import agency. Sir William Strang, who headed the British negotiators, signed for the British government in a ceremony at the state department.

Political Aspects Unaltered

The state department made available a summary of the accord and promised to publish the full text at noon tomorrow.

The agreement emphasized that the new arrangement does not alter in any way the "political or military aspects" of the occupation.

To carry out the agreement, the State department must go to Congress for funds. There were indications that it might encounter opposition there.

Only today the House passed and sent to the Senate an appropriation bill cutting the amount asked by the Army for occupation costs in Germany, Japan and Korea.

agreement later in the day, Government officials have said it provides that the United States will take on 75 per cent of the combined costs in return for a greater voice in economic affairs of the two zones.

The two countries have been sharing the costs equally and have equal power in determining economic policies. Britain requested the new agreement after running short of dollars.

May Cost 200 Million

British and American officials have declined to state exactly how much additional the United States will pay. However, since both countries have been spending $400,000,000 annually, they said a good estimate is at least $200,000,000. This would raise the total American contribution to $600,000,000 or more.

In the new agreement, Britain is expected to promise among other things:

1. To make available $70,000,000 in supplies from sterling areas where dollars are not needed to purchase goods.
2. Set aside twelve ships to pick up supplies for Germany from American East Coast ports each month.

U.S. To Pay For 75% Of 2-Zone Occupation

DEC 1947

Washington, Dec. 17 (AP)—The State Department announced today that the United States and Britain have completed an agreement under which this country is expected to assume a greater share of occupation costs in the Anglo-American zones of Germany.

While details were withheld pending formal signing of the

1st Army Warned of Battle of Bulge

DEC 19

But Higher Command Failed to Act on Reports Made Six Days Before Von Runstedt Struck.

Washington, Dec. 17—Six days before the Germans' spectacular break-through in the Battle of the Bulge, First Army intelligence reports predicted the time and place of the attack, but apparently the warnings were unheeded by the high command, it was learned last night.

Hitherto secret intelligence files now lead to the belief that the advance information about the size and nature of the attack could have prepared the American command for counter measures that might have sharply reduced the tragic losses suffered in the German offensive. Despite heroic resistance, the American forces suffered casualties of 55,420 dead, wounded and captured in the skillfully planned enemy drive that began three years ago yesterday.

On December 10, it is now revealed, intelligence reports declared: "It is plain that the enemy's strategy in defense of the Reich is based on the exhaustion of our offensive, to be followed by an all-out counter-offensive with armor, between the Roer and the Erft, supported by every weapon he can bring to bear."

After verifying information given by "an extremely intelligent prisoner of war," the Intelligence Section said it was convinced that "Von Runstedt is preparing for his part in the all-out application of every weapon at the focal point and the correct time." That focal point, the report added, appeared to be between Roermond and Schleiden.

Six days later the Germans launched their smashing attack which, after three days, was described by American commanders as achieving "a high degree of surprise by the skill in regrouping and launching the simultaneous attacks."

These Intelligence warnings, it was indicated, were not heeded by the Twelfth Army group, the next higher command, and were not picked up by Supreme Headquarters Allied Expeditionary Forces.

ANDERSON EYES CURB ON GRAIN USE IN LIQUOR

Secretary To Ask Power From Congress; Will Offer Bill Today

Washington, Dec. 17 (AP)—Clinton P. Anderson, Secretary of Agriculture, said tonight he will ask Congress immediately for temporary power to limit the amount of grain that can be used to manufacture liquor.

Anderson made the announcement at a news conference after the liquor industry voted itself 1,000,000 more bushels of grain a month, under a voluntary self-rationing plan, than the Government wants it to have.

To Submit Bill Today

The Secretary said he would submit to Congress tomorrow a bill giving him authority until next January 31 to decide how much grain the distillers will get. Congress will have an opportunity between now and January 31 to work out a long-range grain-saving plan.

Industry representatives meeting here voted down, 39 to 10, a plan submitted by the Cabinet Food Committee, headed by Anderson, which called for a 2,500,000-bushels-a-month voluntary limit.

Instead they decided after heated argument to limit themselves to 3,500,000 bushels a month between Christmas Day, when the present distillery shutdown ends, and next March 31.

Bill Pending In Senate

Anderson, who presided, charged the industry with seeking more grain than it needed to replace current consumption. He predicted that both Congress and the country will "think 3,500,000 bushels is too much," and added:

"If all the distillers here adopt a program that will save grain, in

my opinion Congress will not impose control by law."

But if the distillers do not adopt such a program, he said, then he would recommend to Congress that it "do something about it."

Already pending in the Senate is a Republican-sponsored measure authorizing Anderson to limit the amount of grain going to distillers until February 1. It is part of the "stop-gap" anti-inflation bill offered yesterday by Senator Taft (R., Ohio).

Patterson's Prediction

Robert P. Patterson, former Secretary of War, special counsel for the Distilled Spirits Institute, which represents about 65 per cent of the industry, predicted the industry proposal would save 12,500,000 bushels of grain.

The former Cabinet member contended that under the Government's plan "disproportionate" amounts of grain would go to alcohol firms expanded with Federal aid during the war. This, he said, would "seriously and sharply reduce" the amount left for small and medium whisky producers.

Instead of allocating grain quotas on the basis of both plant capacity and past usage, as the Government proposed, Patterson urged that quotas be fixed at 45 per cent of the average monthly grain consumption of each distiller from December 1, 1946, to March 31, 1947.

In addition, he proposed a minimum allowance of 6,000 bushels monthly, so that small distillers would not be forced to operate at a loss.

risen approximately 385 per cent in the first nine months of this year over the same 1946 period, Blaisdell reported.

"If U. S. exports abroad and to Canada were reduced still further or stopped completely, wouldn't it follow that fuel oil would be diverted to New England and other shortage areas?" asked Rep. Heselton (R-Mass).

"Some might go to New England," Blaisdell replied, "but the chances are that production would fall off and oil now coming into this country would be diverted elsewhere and we would have a net loss. Our oil imports and exports now are about in balance and a total embargo might well react badly on this country."

"I don't see why the executive departments don't recognize the seriousness of the domestic situation and act immediately," commented Heselton.

Chairman Wolverton (R-NJ), who has suggested he may call a conference of all government agencies and industries involved in handling oil "to see what can be done," stated:

"There are so many government departments having something to do with the situation, and none of them working together, that we are not getting results.

"It is just taking the time of the House and Senate to get testimony from this agency and that. It seems to me that the President, who has charge of all executive departments, should recognize this emergency and call his departments together and see what can be done.

"Evidence thus far," Wolverton said, "indicates no legislative action is needed. If it is a production shortage causing this emergency maybe there will have to be action by Congress. No one looks forward to rationing again but we can't let people suffer."

Curb on Fuel Exports to Canada Being Studied, House Group Told

DEC 1947

WASHINGTON, Dec. 17 — (AP) A high Commerce department official told a House committee today that control of exports of petroleum products to Canada is under consideration.

Thomas C. Blaisdell, Jr., assistant to the Secretary of Commerce and director of the Office of International Trade, testified before the House Commerce committee studying domestic fuel oil shortages.

Blaisdell said oil exports to all other countries have been under export control since Oct. 1 and normal exports reduced about two-thirds.

However, no restrictions were placed on Canadian shipments, and fuel oil exports to that country have

'Belshazzar Feast' Laid To Luckman

Washington, Dec. 17 (AP)—Representative Arends (R., Ill.) told the House today Charles Luckman "picked up the check" for a "Belshazzar feast" when he resigned as chairman of the Emergency Food Conservation Committee.

Saying Luckman gave a farewell dinner for himself and 100 associates, Arends recited this menu:

"The dinner began with cocktails in generous supply. Then came shrimp cocktail, fried oysters, crab, shrimp and lobster gumbo, curried chicken, roast turkey, baked ham, roast beef, string beans *au gratin*, fried apple rings, pickled walnuts, celery, olives, pickles, mixed green salad, rye rolls, assorted ice creams, assorted finger rolls, coffee.

"Think of that kind of a feast by the Government preachers of conservation when the President asks Congress for power to reestablish a more colossal OPA than we had even in wartime.

"The American people know now OPA completely failed after the war. They know that if OPA comes back as the Administration radicals demand, the people will get black markets, old bull meat and short shirttails."

Caffrey Quits S. E. C. Post, Will Practice Law Here

WASHINGTON, Dec. 17 (AP).—James J. Caffrey resigned today as chairman of the Securities and Exchange Commission. In a letter to President Truman, Mr. Caffrey said he was resigning because of "family responsibility which I can no longer ignore."

He will join the New York law firm of Mortimer Gordon & Leo Brady. Mr. Caffrey was admitted to practice law today by the Appelate Division of the New York Supreme Court.

Mr. Caffrey, a Democrat, will be succeeded in the chairmanship by one of the two remaining Democrats on the commission—Robert B. McConnaughey or Edmund M. Hanrahan.

Although commissioners are appointed by the President with Congressional approval, the chairmanship is decided by a vote of the commission.

Army Imposes Secrecy Ban After Test of Stratojet

MOSES LAKE, Wash., Dec. 17—(AP) The Boeing XB-47 Stratojet, new jet bomber capable of carrying a 10-ton bomb load at 500 or more miles an hour, completed a 50-minute test flight from Seattle today and promptly was clamped under a secrecy ban at the Moses Lake army air base.

Pilots Robert Robbins and Scott Osler, who spent 18 months preparing to fly the radical new bomber, took it off Seattle's Boeing field at 5:03 p.m. (EST) after an easy 4,500-foot run and set it down here just as easily at 5:53 p.m.

They sped across the Cascade mountains at about 320 miles an hour, then went on a shakdown cruise over the central Washington flatlands before landing.

"It's a wonderful plane," Robbins said, "the engineers called the plane's performance right on the button all the way."

Delayed for days awaiting a 15,000-foot ceiling, the test flight was made on the 44th anniversary of the Wright brothers' first flight at Kittyhawk, N. C.

The new plane, rolled from the Boeing plant last Sept. 12, employs sharply swept back wings and tail surfaces for the first time on any bomber.

It is the first of two experimental models costing $10,500,000 to develop.

Its six jet engines, burning aviation kerosene, each supply 4,000 pounds thrust. In addition it has 18 jato (jet assisted take-off) units. Four jet engines are mounted in pairs on outriggers under the inboard section of the wings, and one engine is placed near each wingtip.

The landing gear consists of two in-line double wheels under the fuselage, with small auxiliary wheels under each wing.

In overall dimensions—it is 108 feet long with 116-foot wingspread—the XB-47 is generally similar to the Boeing B-29 superfortress, but it has much slimmer fuselage and wings.

Russia Fears Risk Of U.N. Defense Force, Austin Says

Chicago, Dec. 17 (AP)—Warren R. Austin, chief United States delegate to the United Nations, today blamed current world tension primarily on what he called Russia's unwillingness "to take any of the risks involved in the establishment of collective security."

In an address before the Chicago Council on Foreign Relations, Austin said all of Russia's acts indicated she proposed to rely on her own "national defense," instead of trusting the "collective defense facilities" of the United Nations.

As a result, he said, Russia had built up a "unique defense mechanism" consisting of the Communist parties in other countries, a group of "buffer states" and "the military organization and economic support of it inside Russia."

America's Answer

Austin declared the American answer to the Soviet policy was a program which he called a "pincer movement for peace."

"On the one side," he said, "we use our economic strength to help free nations remain free and become self-reliant and strong. On the other side, we maintain a strong defense of our own, capable of discouraging threats to the peace anywhere."

If this program works, Austin said, the Communist parties outside the Soviet Union "will disintegrate" and "economic isolationism will become highly unattractive to eastern Europe."

He did not minimize the dangers ahead in the United Nations, however.

"The division within the United Nations," he said, "is serious because it strikes at the central issue of collective security. That concept was based on the unanimity of the large powers. That unity is lacking on crucial issues."

PUBLISHER URGES U. S. TO DEMAND WORLD AIR BASES

DEC 1947

NEW YORK, Dec. 17. — (AP) John S. Knight, newspaper publisher, said tonight the United States should demand strategic air bases throughout the world to intercept attacks by any aggressor nation as a condition of American economic assistance.

The assertion was one of five "logical steps in our endeavor to prevent war" outlined by Knight at a dinner of the Air Service post 501, American Legion, at which he received the eighth annual Frank M. Hawks memorial trophy "for the contribution of his newspapers to aviation."

Asserting "mere financial aid is not winning the cold war with Russia," Knight said:

"We have been too free in making loans with no conditions attached. Billions of American dollars have been turned over to corrupt and helplessly inefficient foreign regimes to be used and distributed as they saw fit."

Knight said America actually was a participant in the Greek civil war and added: "We have loaned $400,000,000 to Greece and Turkey and in Greece, at least, most of the money has disappeared without improving the Greek economy or driving any guerrillas from its Northern borders."

Knight said it would be "the height of folly not to recognize that Russia, in its present mood, is a definite threat to the community of nations who seek only peace and economic stability."

The other "logical steps" Knight said the United States should take were:

"1. Retain and develop our moral leadership in world affairs;

2. Rebuild our air force to a point of unquestioned superiority in numbers and technological development; 3. Strengthen our regular military forces in troubled areas of occupation, depending upon universal military training, if necessary, to furnish the men for domestic duty," and "institute a program of rearmament which will give us the military strength to back up our tough talk with something more than words."

30.24- 14307

Veteran Met His 'War Bride' in 1918

DEC 1947

Widower, 51, to Wed British Woman, 50, Best Friend of Wife—They Corresponded Through the Years.

Portland, Ore., Dec. 17 (A. P.).—World war I Veteran Kindle C. Satterlee, 51 years old, is as excited as any younger Yank about the pending arrival from England of his "war bride"—the girl he met in Liverpool in 1918.

Satterlee's betrothed is Miss Amy Graham, 50, a Chester church worker. They me twenty-nine years ago across a store counter, while Satterlee was an Army private.

She will be the veteran's second war bride. The American soldier in 1918 asked Miss Graham's closest girl friend—Ethel Tenfold—to be his wife and together they returned to the United States. The two British women kept their friendship alive through the years by correspondence. When Satterlee became a widower, two years ago, he continued the letter writing. Last April, he said, he asked Miss Graham to be his bride.

The British woman is due in New York on December 27 and in Portland on New Year's eve. Her passport designation is "war bride."

EISLER TO FIGHT ON

Philadelphia, Dec. 17 (A. P.).—Gerhart Eisler said last night that while he is an "admirer" of Josef Stalin, he is certain the Russian leader "can do absolutely without me."

Eisler told a crowd of some 600 at Town Hall that he will continue his fight against the congressional Committee on Un-American Activities and other groups which he termed reactionary, as long as he is able to speak and write. He said that his main desire was to return to Germany to fight Fascism there.

An extra detail of uniformed policemen was on hand at the meeting, sponsored by the Philadelphia chapter of the Civil Rights Congress, but no disorder materialized.

LONDON, DEC 17-(AP)-THE MINISTRY OF SUPPLY ANNOUNCED LAST NIGHT THE GOVERNMENT TODAY IS LIFTING RESTRICTIONS ON DOMESTIC LICENSES TO BUY TIN AND SIMULTANEOUSLY RAISING THE DELIVERED PRICE TO BRITISH CONSUMERS BY 73 POUNDS ($292) TOM OOORD HIGH OF 510 POUND

DEC 1947

CONSUMERS BY 73 POUNDS ($292) TO A RECORD HIGH OF 510 POUNDS ($2,040) PER TON.

"CITY" SOURCES PREDICTED AN INCREASE OF ABOUT 70 POUNDS ($240) IN PRICES PAID TO MALAYAN INGERIAN PRODUCERS WILL FOLLOW "IN A FEW DAYS."

"THE MINISTRY HAS TAKEN COURAGE IN BOTH HANDS X X X WITHOUT WAITING TO SEE WHAT AGREEMENT THE UNITED STATES WILL BE ABLE TO FIX UP WITH BOLIVIA," THE DAILX TELEGRAPH COMMENTED, ADDING THAT THE GOVERNMENT "VERY WISELY HELD THAT AS MALAYA IS ONCE AGAIN THE WORLD'S LEADING TIN PRODUCER IN THE STERLING AREA IT CAN SHOULDER THE RESPONSIBILITY OF FIXING ITS OWN PRICES AND LET BOLIVIA FOLLOW."

THE DAILY TELEGRAPH ALSO NOTED THAT HIGHER PRICES FOR STERLING AREA TIN SHOULD RESULT IN HIGHER DOLLAR EARNINGS, AND WILL THEREBY "HELP NARROW THE PAYMENTS GAP" WITH THE DOLLAR AREA.

PRICE OF 510 POUNDS APPLIED TO 99 PERCENT PURE TIN

SAME PRICE RISE AFFECTED GRAIN BAR TIN AND GRANULATED TIN, WITH GRAIN BAR NOA PRICED AT 530 POUNDS AND GRANULATED AT 535 POUNDS.

THE FINANCIAL TIMES REPORTED THAT IT HAD LEARNED THAT "ANNOUNCEMENT OF HIGHER PRICES TO BE PAID FOR BULK PURCHASE OF SUPPLIES FROM MALAYAN AND NIGERIAN PRODUCERS IS LIKELY LATER THIS WEEK."

AN INVESTMENTS SPECIALIST OF THE SAME PAPER SAID THE RISE OF 73 POUNDS PER TON "DOES NOT FULFILL THE MOST EXTRAVAGANT HOPES, BUT THE MARKET SHOULD NOT BE DISAPPOINTED."

MK749AES

LONDON, DEC. 17-(AP)-F.W.ALLPORT, EUROPEAN REPRESENTATIVE OF THE MOTION PICTURE ASSOCIATION OF AMERICA, AND SIR WILFRID EADY, OF THE BRITISH TREASURY, DISCUSSED THE 75 PER CENT TAX ON IMPORTED MOVIES TODAY BUT ISSUED NO STATEMENT AFTERWARD.

THE TALKS WILL CONTINUE THROUGH THE WEEK.

DEC 1947

SIR WILFRID, WHO TOOK PART IN WASHINGTON NEGOTIATIONS CONCERNING THE FILM TAX, TOLD ALLPORT, IT WAS LEARNED, THAT CANCELLATION OF THE TAX WOULD BE EQUIVALENT TO BRITAIN'S EXPORTING $75,000,000 DOLLARS WORTH OF FOOD. WITHOUT THE TAX, HE ARGUED, THE NATION'S DOLLAR RESOURCES WOULD BE REDUCED TO THAT EXTENT BECAUSE OF PAYMENTS TO HOLLYWOOD FILM COMPANIES.

"THE AMERICANS FIND IT DIFFICULT TO UNDERSTAND THIS," COMMENTED A TREASURY OFFICIAL, "AND THEREFORE MISTAKENLY REGARD THE TAX AS CONFISCATORY AND CONSEQUENTLY REFUSE TO SEND US FURTHER FILMS."

GOVERNMENT SOURCES INDICATE THERE IS LITTLE LIKELIHOOD THE TAX WILL BE CANCELED OR CUT.

HJ1112PES

BOTH MARSHALL AND BIDAULT ARE SCHEDULED TO SEE BRITISH FOREIGN SECRETARY ERNEST BEVIN BEFORE THEY DEPART FOR HOME, AND THERE WAS SOME SPECULATION THE FRENCH AND AMERICAN DIPLOMATS MIGHT MEET AGAIN BEFORE THEY GO. BIDAULT LEAVES FOR PARIS TONIGHT AND MARSHALL FLIES OUT TOMORROW. THE LATTER WILL REPORT TO THE AMERICAN PEOPLE BY RADIO FRIDAY NIGHT.

DEC 1947

AS DIPLOMATIC THINKING BECAME ADJUSTED TO THE FACT OF A BREAKDOWN IN THE LONDON BIG FOUR TALKS MONDAY; THERE WAS INCREASING EMPHASIS ON THE VIEW THAT WHILE THE WESTERN POWERS INTEND TO FIT WESTERN GERMANY INTO EUROPEAN RECOVERY UNDER THE MARSHALL PLAN THE DOOR WILL NOT BE SHUT ON FUTURE COOPERATION WITH RUSSIA.

MUCH DEPENDS, OF COURSE, ON HOW THE RUSSIANS THEMSELVES REACT TO THE PRESENT SITUATION. THE FULL REACTION PROBABLY WILL NOT BE KNOWN UNTIL AFTER SOVIET FOREIGN MINISTER V.M.MOLOTOV MAKES HIS REPORT AT THE KREMLIN AND RUSSIAN LEADERS LAY DOWN THEIR POLICY DECISIONS.

REFLECTING THE NEED FELT BY AMERICAN OFFICIALS TO KEEP IN CONTACT WITH RUSSIA AND THUS KEEP UP AT LEAST THE OUTWARD FORMS OF BIG FOUR COOPERATION, GEN.LUCIUS D.CLAY, THE AMERICAN COMMANDER IN GERMANY, SAID IN AN INTERVIEW THAT HE "EXPECTED AND HOPED" THE ALLIED CONTROL COUNCIL AT BERLIN WOULD CONTINUE TO FUNCTION DESPITE THE BREAKUP AT LONDON.

DEC 1947

DESPITE ACCUSATIONS MADE BY MOLOTOV IN THE FOREIGN MINISTERS COUNCIL MEETINGS HERE THAT THE WESTERN POWERS WERE INTENT UPON DIVIDING GERMANY AND UNIFYING THE WEST, THE NATURE OF POST-CONFERENCE DEVELOPMENTS APPEARED TO BEAR OUT THE ARGUMENTS OF MARSHALL AND BEVIN THAT IN FACT NO SUCH POLICY DECISIONS HAD BEEN MADE.

BRITISH INFORMANTS SAID BRITISH POLICY ON GERMANY WOULD HAVE TO BE REVIEWED AND NEW APPROACHES CHARTED BEFORE SPECIFIC NEW STEPS COULD BE TAKEN. MARSHALL ALSO WAS REPORTED TO HAVE PUT HIS GERMAN ADVISERS TO WORK ON AN OUTLINE FOR THE PROPOSED FRENCH ZONE MERGER.

THE BRITISH FOREIGN OFFICE DISTRIBUTED A STATEMENT LAST NIGHT EXPANDING BEVIN'S REMARKS AT THE FINAL MEETING OF THE BIG FOUR MONDAY. IN IT, WHILE DISCUSSING THE REPARATIONS ISSUE, ON WHICH THE CONFERENCE FINALLY FOUNDERED, BEVIN SAID THE TOTAL AMOUNT OF REPARATIONS TAKEN OUT OF GERMANY BY THE RUSSIANS, AT A ROUGH ESTIMATE, WAS "CONSIDERABLY MORE THAN SEVEN BILLION DOLLARS."

DEC 1947

"WE HAVE, OF COURSE, NO MEANS OF CHECKING THIS," THE STATEMENT QUOTED BEVIN AS SAYING. "BUT UNTIL THE FACTS ARE GIVEN US, WE CANNOT DISCUSS THIS QUESTION IN A SERIOUS MANNER."

JP224AES

LONDON, DEC. 17--(AP)--U. S. SENATOR OWEN BREWSTER (R-MAINE)

WHO HAS BEEN INVESTIGATING ECONOMIC CONDITIONS IN EUROPE, ARRIVED

IN LONDON TONIGHT FROM PARIS. HE AND MRS. BREWSTER PLAN TO LEAVE

TOMORROW FOR ISTANBUL, TURKEY.

DEC 1947

LE HAVRE, DEC 17-(AP)-THE S.S.AMERICAN LEADER, CARRYING 4,000 TONS OF FOOD GIVEN BY THE AMERICAN PEOPLE TO FRANCE, DOCKED AT NOON TODAY AFTER A STORMY ATLANTIC CROSSING THAT DELAYED ITS SCHEDULED ARRIVAL BY 24 HOURS.

THE SHIP WAS GREETED BY SIRENS AND WHISTLES ON EVERY SHIP IN THIS OLD FRENCH PORT. AIRPLANES ROARED OVERHEAD. A FULL AFTERNOON OF OFFICIAL CEREMONIES WAS ARRANGED, WITH A FRENCH CABINET MINISTER AND U.S. AMBASSADOR JEFFERSON CAFFERY TAKING PART.

TOKEN PACKAGES OF FOOD WERE TO BE UNLOADED TODAY. THE REAL UNLOADING WILL START SATURDAY.

DN722AES

PARIS, DEC. 17-(AP)-UNITED STATES POLICY AND THE GOVERNMENT OF FRENCH PREMIER ROBERT SCHUMAN WERE ATTACKED BY TWO COMMUNIST LEADERS TUESDAY NIGHT AT A MASS MEETING IN PARIS' VELODROME D'HIVER.

GEORGES COGNIOT, EDITORIAL WRITER OF L'HUMANITE, COMMUNIST NEWSPAPER, SAID THE FRENCH PEOPLE "WILL NEVER BE A PEOPLE OF SLAVES."

HE DESCRIBED AS "UTTERLY WRONG, THOSE WHO THINK THAT A NEW MUNICH WILL BE AS EASY TO IMPOSE ON THE FRENCH PEOPLE AS THE OLD ONE WAS."

JACQUES DUCLOS, SECRETARY-GENERAL OF THE FRENCH COMMUNIST PARTY, CONTINUING COGNIOT'S THEME, SAID THAT "YESTERDAY THE ANTI-COMMUNISTS WERE THE SERVANTS OF THE NAZI SERVANTS OF ANTI-FRANCE. TODAY, THEY STILL ARE THE SERVANTS OF ANTI-FRANCE, BUT ERVANTS OF AMERICAN EMPLOYERS. THE DOLLAR IS SUBSTITUTED FOR THE MARK. THEY SAY 'YES' INSTEAD OF 'JA.'"

DUCLOS ATTACKED THE "BELLICIST TARGETS OF THE IMPERIALIST FACTION" WHICH "ARE AIMED TO USE THE FRENCH PEOPLE AS TROOPS OF THE AMERICAN IMPERIALISOBKXM AND CONCLUDED "FG

THEY STILL ARE THE SERVANTS OF ANTI-FRANCE, BUT SERVANTS OF AMERICAN EMPLOYERS. THE DOLLAR IS SUBSTITUTED FOR THE MARK. THEY SAY 'YES' INSTEAD OF 'JA.'"

DUCLOS ATTACKED THE "BELLICIST TARGETS OF THE IMPERIALIST FACTION" WHICH "ARE AIMED TO USE THE FRENCH PEOPLE AS TROOPS OF THE AMERICAN IMPERIALISTS," AND CONCLUDED "FRANCE WILL KEEP FREE AND INDEPENDENT."

TA1152PES

GENEVA, SWITZERLAND, DEC.17-(AP)-AFTER A SHARP CLASH BETWEEN THE BRITISH AND RUSSIAN DELEGATES, THE UNITED NATIONS COMMISSION ON HUMAN RIGHTS ADOPTED TODAY A COVENANT ON THE RIGHTS OF MAN FOR SUBMISSION TO THE U.N. MEMBER GOVERNMENTS.

THE VOTE ON THE PROPOSED 25-ARTICLE COVENANT, WHICH WOULD BE LEGALLY BINDING ON ALL STATES RATIFYING IT, WAS 10 TO FOUR, WITH RUSSIA, THE UKRAINE, WHITE RUSSIA AND YUGOSLAVIA VOTING IN THE NEGATIVE.

THE COVENANT LAYS DOWN ESSENTIAL FREEDOMS FOR ALL HUMAN BEINGS REGARDLESS OF RACE, SEX, NATIONALITY OR RELIGION.

IN A LONG SPEECH PRECEDING THE VOTE, RUSSIAN DELEGATE A.E. BOGOMOLOV COMPLAINED THAT THE COMMISSION HAD "IGNORED THE ESSENTIAL BASIC RIGHTS X X X SUCH AS THE RIGHT TO WORK, TO REST, TO SOCIAL SECURITY AND EDUCATION."

LORD DUKESTON OF BRITAIN REPLIED THAT THE COMMISSION HAD SOUGHT MERELY "TO DEFINE THE FOUNDATION OF THE ELEMENTARY FREEDOMS."

A BILL OF HUMAN RIGHTS, WHATEVER THE FINAL FORM, HE SAID, SHOULD "LEAD PEOPLE TO FREEDOM," AND ADDED SHARPLY:

"I WANT PEOPLE TO BE FREE. I DO NOT WANT PEOPLE TO BE WELL FED SLAVES."

JP246AES

ROME, DEC. 17-(AP)-THE MUNICIPAL COUNCIL OF BORDIGHERA,

DEC 1947

LIGURIAN FLOWER TOWN, HAS DECIDED TO ACCORD HONORARY CITIZENSHIP

TO EVA DUARTE PERON, WIFE OF ARGENTINE PRESIDENT JUAN D. PERON,

IN HONOR OF HER VISIT TO THE ITALIAN RIVIERA LAST JULY.

WR 0A 0L300

30.24- 14309

ROME, DEC 17-(AP)-SICILY'S TWO LARGEST CITIES--PALERMO AND CATANIA--WERE IN THE GRIP OF GENERAL STRIKES CALLED BY THEIR LOCAL CHAMBERS OF LABOR TODAY, AND REPORTS FROM SOUTHERN ITALY TOLD OF NEW LABOR UNREST THERE.

THE SICILIAN STRIKES BOTH WERE CALLED TO BACK DEMANDS FOR UNEMPLOYMENT RELIEF--THE SAME REASON WHICH THE ROME CHAMBER OF LABOR GAVE IN CALLING A TWO-DAY GENERAL STRIKE THERE LAST WEEK. THE LOCAL CHAMBERS WHICH CALLED THE STRIKES ARE AFFILIATED WITH THE COMMUNIST-DOMINATED GENERAL CONFEDERATION OF LABOR.

ROME PRESS DISPATCHES REPORTED THAT IN CALABRIA WORKERS IN TWO PLACES HAD REFUSED TO CARRY OUT STRIKE ORDERS FROM COMMUNIST-LED LABOR BODIES.

AT THE CALABRIAN PORT OF CATANZZRO MARINA, FISHERMEN CONTINUED TO WORK, ROME'S IL MESSAGGERO REPORTED.

AT SAN BENEDETTO DEL TRONTO, ALSO IN CALABRIA, MARINE WORKERS WERE REPORTED STICKING TO THEIR JOBS.

DEC 1947

L'UNITA, COMMUNIST NEWSPAPER IN ROME, SAID THAT STRIKES WERE IN PROSPECT AT TWO OTHER SICILIAN TOWNS "IN THE INTEREST OF THE UNEMPLOYED" AT CALTANISETTA AND AT ENNA.

L'UNITA ALSO REPORTED A GENERAL STRIKE HAD BEEN CALLED AT PESCARA FOR THURSDAY TO PROTEST A GOVERNMENT ORDER "DISSOLVING THE COMMUNAL ADMINISTRATION."

A DISPATCH FROM MILAN IN NORTHERN ITALY SAID THAT TWO MEN ON BICYCLES LAST NIGHT HURLED A BOMB AT THE HOME OF ANDREA GASTALDI, DESCRIBED AS A FORMER FASCIST PARTY LEADER OF TURIN. WINDOWS IN THE NEIGHBORHOOD WERE SHATTERED, BUT THERE WERE NO CASUALTIES.

DN655AES

OBVIOUSLY WAS PART OF THE SURPLUS STORES SOLD TO THE ITALIAN GOVERNMENT UNDER AN AGREEMENT SIGNED SEPT. 9, 1946. THE OFFICIALS SAID PART OF THE EQUIPMENT WENT TO U.S. OCCUPATION FORCES IN TRIESTE AND PART TO THE EUROPEAN THEATER AS THE MEDITERRANEAN THEATER GRADUALLY WAS ELIMINATED, AND THAT OF THE REMAINDER, PART WAS RETURNED TO THE UNITED STATES AND PART WENT TO ITALY UNDER THE AGREEMENT. IT SAID THE LEGHORN HEADQUARTERS HAD ONLY, "A FEW JEEPS OR SO" ON ITS DEPARTURE." #

MILAN, ITALY, DEC. 17-(AP)-A LEGHORN DISPATCH TO THE NEWSPAPER CORRIERE LOMBARDO SAID TODAY THE U.S. ARMY LEFT BEHIND THERE 300 SHERMAN TANKS, 300 HEAVY ARMORED CARS, THOUSANDS OF VEHICLES OF ALL TYPES AND HUNDREDS OF LIGHT ARTILLERY WEAPONS.

DEC 1947

THE REPORT SAID THE EQUIPMENT "VERY PROBABLY" WAS GIVEN THE ITALIAN GOVERNMENT "TO MEET ANY EVENTUALITIES."

IN ROME, U.S. EMBASSY OFFICIALS SAID THE MATERIAL

BERLIN, DEC 17-(AP)-THE UNITED STATES AND BRITISH MILITARY GOVERNMENTS HAVE AGREED TO GERMAN RECOMMENDATIONS THAT 23 FACTORIES BE REMOVED FROM THE LIST OF 682 WHICH IT WAS ANNOUNCED ON OCT. 16 WERE TO BE DISMANTLED FOR REPARATIONS.

IN SAVING THESE PLANTS FOR THE GERMAN ECONOMY OF THE COMBINED BRITISH-AMERICAN OCCUPATION ZONES, THE ZONE COMMANDERS ACTED ON RECOMMENDATIONS SUBMITTED BY GERMAN ECONOMIC AGENCIES OF THE VARIOUS STATES.

ALL BUT TWO OF THE FACTORIES AFFECTED BY THE NEW ORDER ARE IN THE HIGHLY INDUSTRIALIZED BRITISH ZONE, AND THEY INCLUDE SEVERAL RUHR STEEL PLANTS.

DEC 1947

NUMEROUS OTHER RECOMMENDATIONS FOR AMENDMENTS TO THE DISMANTLING LIST WERE ADOPTED, AFFECTING PORTIONS OF PLANTS. THE ANNOUNCEMENT SAID FURTHER ACTION COULD BE EXPECTED ON SOME PLANTS THE ULTIMATE FATE OF WHICH HAS NOT YET BEEN DETERMINED.

ME6AES

PRECEDE NAPLES

CATANIA, SICILY, DEC. 17-(AP)-POLICE [redacted] TODAY ARRESTED THE LEADERS OF THE GENERAL STRIKE CALLED IN

CATANIA, SICILY'S SECOND CITY AT MIDNIGHT TO PROTEST WHAT

THE LABOR UNIONS TERMED INADEQUATE AID TO THE UNEMPLOYED.

WR 1182SAPR 1245P

BERLIN,DEC.17-(AP)-COMMUNISTS IN EASTERN GERMANY SENT TELEGRAMS TODAY TO POLITICIANS THROUGHOUT THE FOUR OCCUPATION ZONES PROTESTING PLANS OF GERMANS FOR AN ECONOMICALLY UNIFIED WESTERN GERMANY.

THE TELEGRAMS FROM THE RUSSIAN-SPONSORED AND COMMUNIST-CONTROLLED SOCIALIST UNITY PARTY ASKED PARTY LEADERS TO "REJECT EVERY ATTEMPT THAT HAS AS ITS AIM THE DIVISION OF GERMANY."

GERMAN POLITICIANS IN THE AMERICAN AND BRITISH ZONES OF THE WEST, MEETING IN FRANKFURT, ANNOUNCED TENTATIVE PLANS FOR A WESTERN GERMAN STATE WHICH WOULD COUNTERACT COMMUNIST INFLUENCE FROM THE RUSSIAN ZONE.

THE OFFICIAL RUSSIAN NEWSPAPER IN GERMANY, TAEGLICHE RUNDSCHAU, ASSERTED THE BIZONAL PLAN IS IMPERIALIST."

DEC 1947

BJ821AES

TO DO THAT, THEY SAID, THE PRESENT GERMAN ECONOMIC COUNCIL FOR THE BRITISH-AMERICAN ZONES MUST BE EXPANDED IN AUTHORITY AND FUNCTION.

THEIR PROPOSITIONS WERE EXPECTED TO BE PRESENTED TO GENS. LUCIUS D.CLAY AND SIR BRIAN ROBERTSON, AMERICAN AND BRITISH MILITARY GOVERNORS AT A MEETING SOON.

THE FULDAER VOLKSZEITUNG IN THE AMERICAN ZONE COMMENTED THAT AS A RESULT OF THE LONDON CONFERENCE FAILURE "WE GERMANS HAVE TO SWALLOW THE BITTER PILL THAT THERE WILL BE TWO GERMANYS FOR SOME TIME TO COME."

GEN.CLAY, IN A MONTHLY REVIEW, REPORTED NEW POST-WAR HIGHS IN COAL AND STEEL PRODUCTION FOR THE BRITISH-AMERICAN ZONES DURING THE AUTUMN MONTHS AND SAID THERE WERE "PROSPECTS FOR SUBSTANTIAL INDUSTRIAL REVIVAL."

COAL PRODUCTION ADVANCED ABOUT 20 PER CENT FROM JUNE TO OCTOBER, WITH 6,656,000 TONS PRODUCED IN OCTOBER. THIS WAS ABOUT 66 PER CENT OF THE MONTHLY PRODUCTION IN 1936.

EMPLOYMENT GAINED FOR THE THIRD SUCCESSIVE QUARTER, RISING TO 7,612,000.

MJ527PES

NUERNBERG,GERMANY,DEC.17-(AP)-THE AMERICAN PROSECUTION ASKED A U.S. MILITARY TRIBUNAL TODAY TO DENY THE MOTION OF ALFRED KRUPP FOR AMERICAN COUNSEL IN HIS WAR CRIMES TRIAL.

KRUPP, HEAD OF THE KRUPP ARMEMENT WORKS, WHO IS ON TRIAL WITH 11 OTHERS, HAD ASKED THE TRIBUNAL TO PERMIT HIM TO HAVE EARL J.CARROLL OF HAYWARD, CALIF., FOR HIS DEFENSE ATTORNEY.

IN HIS MOTION, KRUPP SOUGHT, "IN THE INTERESTS OF A FAIR TRIAL,"

TO BE PERMITTED TO HAVE A LAWYER WHO IS FAMILIAR WITH U.S. COURT PROCEDURE AND LAW.

THE TRIBUNAL HAS THE QUESTION UNDER CONSIDERATION AND PROBABLY WILL ANNOUNCE ITS DECISION FRIDAY. CARROLL SAID IF THE DECISION IS ADVERSE, HE WILL FILE A WRIT OF PROHIBITION AGAINST THE AMERICAN SECRETARY OF DEFENSE WITH THE U.S. FEDERAL COURTS IN AN EFFORT TO HALT THE TRIAL.

AT THE HEART OF THE ISSUE LIES THE JURISDICTION OF THE NUERNBERG TRIBUNALS AND THE QUESTION WHETHER THEY ARE AMERICAN COMMISSIONS ANALAGOUS TO COURTS MARTIAL, - :)-8.3$?6
ANALAGOUS TO COURTS MARTIAL, AS CLAIMED BY THE DEFENSE, OR INTERNATIONAL COURTS AS CONTENDED BY THE PROSECUTION.

MJ541PES

FRANKFURT -- FIRST ADD GERMAN (A117) X X X AND LONDON.

IN BERLIN THE SOVIET SPONSORED NEWSPAPER AM MITTAG SAID IT WOULD BE LOGICAL FOR THE WESTERN POWERS TO LEAVE BERLIN AND VOID THE FOUR-POWER STATUTE UNDER WHICH GERMANY IS GOVERNED. THE UNITED STATES ALREADY HAS SPURNED SUCH SUGGESTIONS.

DEC 1947

ONLY LAST NIGHT COL. FRANK HOWLEY, DIRECTOR OF THE U.S. MILITARY GOVERNMENT FOR BERLIN, SAID THE UNITED STATES HAD NO INTENTION OF LEAVING BERLIN, NOW RULED BY ALL FOUR OCCUPATION POWERS.

BERLIN AM MITTAG, WHICH HAS BEEN IN TROUBLE MORE THAN ONCE WITH SOVIET AUTHORITIES FOR IRRESPONSIBLE STATEMENTS ABOUT THE WESTERN ALLIES, CONTENDED THAT THE POTSDAM AGREEMENT HAD BEEN "FINISHED OFF" AND THAT THE CONTROL COUNCIL ESTABLISHED AT POTSDAM "CEASES TO EXIST."

O JT1142AES

HAMBURG, GERMANY, DECMQUAKAP)-AN UNOFFICIAL SOURCE SAID TONIGHT BRITISH OFFICIALS WERE MAKING PLANS IN ANTICIPATION OF "SEVERAL MILLION" PERSONS FLEEING FROM THE RUSSIAN OCCUPATION ZONE OF GERMANY INTO THE WESTERN ZONES AS A RESULT OF THE FAILURE OF THE FOUR POWER FOREIGN MINISTERS CONFERENCE IN LONDON.

BRITISH AUTHORITIES SAID THE MAGNITUDE OF THE EXPECTED FLIGHT FROM THE EAST COULD BE DETERMINED WITHIN A FEW DAYS WHEN THE NEWS OF THE CONFERENCE FAILURE PENETRATES THE RUSSIAN ZONE.

JT952PES

(TITO HAS DENIED THAT SIGNING OF THE PACTS CONSTITUTES FORMATION OF A "BLOC." HE TOLD NEWSMEN IN BUDAPEST AT THE TIME OF THE SIGNING OF THE PACT WITH HUNGARY THAT SUCH ACTION "MAY HINDER CAPITALIST IMPERIALIST STATES FROM FISHING IN TROUBLED WATERS.")

TITO WAS GREETED BY GROZA AND IN RESPONSE DECLARED THAT NO ONE COULD CHARGE THAT THE AGREEMENT ABOUT TO BE SIGNED ENDANGERED PEACE. HE SAID YUGOSLAVIA'S AIM WAS FOR A LONG AND LASTING PEACE.

THOUSANDS OF TRADE UNION MEMBERS TURNED OUT TO TAKE PART IN THE WELCOMING CEREMONIES.

EZ435PES

30.24- 14311

BUDAPEST, DEC. 17--(AP)--THE SOVIET UNION TODAY GRANTED HUNGARY A MORATORIUM UNTIL 1948 FOR THE DELIVERY OF MORE THAN 12,000,000 POUNDS OF GRAIN DUE AS REPARATIONS IN 1947.

THIS WAS ANNOUNCED BY THE RUSSIAN MINISTER TO HUNGARY, ALEXANDER PUSKIN, AFTER HE HAD CONFERRED WITH HUNGARIAN FOREIGN MINISTER, ERIC [redacted] MOLNAR.

PUSKIN EXPLAINED THE MORATORIUM HAD BEEN GRANTED BECAUSE OF [redacted] DIFFICULTIES RESULTING FROM THE UNUSUAL HUNGARIAN DRAUGHT.

ATHENS, DEC. 17-(AP)-FIFTEEN AMERICAN OFFICERS INCLUDING MAJ. GEN. ARTHUR M. HARPER AND BRIG. GEN. TRUMAN C. THORSON FLEW TO VOLOS YESTERDAY FOR A CONFERENCE WITH LIEUT. GEN. CONSTANTIN VENTIRIS, FIELD COMMANDER OF THE GREEK ARMIES.

A REPORT FROM SECOND ARMY HEADQUARTERS AT LARISA SAID 600 VILLAGERS WERE FORCIBLY RECRUITED BY GUERRILLAS DURING NOVEMBER. THE REPORT STATED THAT 115 HOUSES HAD BEEN BURNED, 14 BRIDGES DESTROYED, 71 PERSONS ABDUCTED AND 15 VILLAGERS KILLED, INCLUDING ONE WOMAN.

TWO INCURSIONS FROM ALBANIA OCCURRED DURING THE MONTH, THE REPORT SAID.

BJ828AES DEC 1947

BELGRADE, DEC. 17-(AP)-THE PRESS ANNOUNCED TODAY THE DEPARTURE OF PREMIER MARSHAL TITO AND A DELEGATION OF YUGOSLAV OFFICIALS FOR BUCHAREST, ROMANIA, ON AN OFFICIAL VISIT. HIS DEPARTURE HAD BEEN KEPT SECRET, AND THE ACCOUNTS GAVE NO PARTICULAR REASON FOR THE TRIP.

USUALLY WELL INFORMED SOURCES SAID THEY BELIEVED THE PREMIER HOPED TO EFFECT AN AGREEMENT OF FRIENDSHIP AND MUTUAL ASSISTANCE. DIPLOMATIC CIRCLES HAVE BEEN EXPECTING SUCH A TRIP.

BJ816AES DEC 1947

SOFIA, BULGARIA, DEC. 17-(AP)-A GOVERNMENT SPOKESMAN ANNOUNCED TODAY THAT NOT A SINGLE RUSSIAN SOLDIER REMAINED ON BULGARIAN TERRITORY MONDAY.

SOVIET TROOPS LEFT BULGARIA DEC. 12, THE SPOKESMAN SAID, ADDING THATTHE LAST RED ARMY OFFICERS AND MEN WITHDREW TWO DAYS LATER, IN ACCORDANCE WITH BULGARIA'S PEACE TREATY.

BULGARIAN PREMIER GEORGI DIMITROV GAVE A FAREWELL DINNER SUNDAY FOR HIGH-RANKING RUSSIAN OFFICERS, THE SPOKESMAN SAID.

JT952AES

MOURIES, GREECE, DEC. 17--(AP)--UNITED NATIONS REPRESENTATIVES TODAY WATCHED GREEK ARTILLERY FIRE ON A SMALL BAND OF GUERILLAS OPERATING ON SNOW-COVERED MOUNT BELLES WHICH SQUATS ON THE INTERSECTION OF THE YUGOSLAV, BULGARIAN AND GREEK FRONTIERS.

THE ACTION TOOK PLACE ONLY FOUR MILES FROM THIS GREEK THIRD ARMY STATION WHICH SPOTTED THE GUERRILLA MOVEMENT THROUGH LONG-RANGE GLASSES. THE GUERRILLAS RETURNED THE FIRE AFTER THE GREEKS PUMPED FOURT ARTILLERY SHELLS INTO THE AREA.

THE UNITED NATIONS GROUP WAS NAMED TO INVESTIGATE [redacted] GREEK FRONTIER INCIDENTS. SPOKESMEN SAID THE VISIT HERE PRIMARILY WAS TO DETERMINE POINTS AT WHICH TO ESTABLISH OBSERVATION TEAMS.

ONE SOURCE SAID THE TEAMS WOULD BE COMPOSED OF FIVE TO TEN PERSONS SPACED 12 TO 25 MILES APART AT STRATEGIC POINTS ALONG THE BORDER.

MC 635PES DEC 17 MAMAS 11630

BY LARRY ALLEN

WARSAW, DEC. 17--(AP)--CAPT. PETER BAUMGART, 32-YEAR-OLD FORMER GERMAN AIR FORCE PILOT, TOLD A [redacted] DISTRICT COURT HERE TODAY THAT HE FLEW ADOLPH HITLER TO DENMARK SHORTLY BEFORE THE FALL OF BERLIN.

THE 6-FOOT FLIER CLAIMED THAT HITLER WAS ACCOMPANIED ON THE FLIGHT BY GERMAN GEN. ROEMER AND HIS WIFE AND A WOMAN WHOM HE BELIEVED WAS EVA BRAUN. BAUMGART SAID THE PARTY BOARDED AN AIRPLANE AT

DEC 1947

HOHENZOLLERNDAMM ON APRIL 28, 1945, AND THAT HE LANDED THEN IN DENMARK ABOUT 40 MILES FROM THE EITER RIVER.

UPON, LANDING, THE FLIER SAID, HITLER SHOOK HANDS WITH HIM AND GAVE HIM A CHECK FOR 20,000 MARKS DRAWN ON A BERLIN BANK. BAUMGART SAID HE IMMEDIATELY WAS ORDERED TO FLY BACK TO BERLIN. AFTER THAT, HE SAID HE DID NOT KNOW ABOUT HITLER AND HIS PARTY, BUT HE SAID HE THOUGHT THEY HAD BOARDED A SUBMARINE.

BAUMGART WAS RETURNED TO WARSAW FROM THE BRITISH ZONE IN GERMANY

AND IS ON TRIAL ON A CHARGE OF HAVING SEEN AN SS MEMBER. STILL WEARING PARTS OF A GERMAN FLIER'S UNIFORM, HE TOLD THE COURT HE NEVER HAD BELONGED TO THE SS. THE COURT THEN RESERVED DECISION UNTIL JAN. 27 PENDING INVESTIGATION OF BAUMGART'S CLAIM THAT ANOTHER GERMAN OF THE SAME NAME WAS IMPLICATED IN THE TRIAL OF 40 SS OFFICERS WHO WERE ACCUSED OF HAVING MURDER AT THE AUSCHWITZ CONCENTRATION CAMP.

BAUMGART, WHO CLAIMED TO HAVE SHOT DOWN 128 ALLIED PLANES IN COMBAT OVER CRETE, ITALY, NORTH AFRICA AND THE EASTERN FRONT, SAID HE WAS WOUNDED BY THE WARSAW EVENING NEWSPAPER, WIECZOR, TWO WEEKS AGO.

DEC 1947

HE SAID HE WAS BRINGING TO THE UNITED STATES THE DATE BEFORE BERLIN FELL, HE WAS QUOTED IN SIMILAR FASHION BY THE SAME PAPER LAST OCTOBER BUT HE SAID AT THAT TIME THAT

30.24- 14313

WITLER AND [redacted] HAD BOARDED A SUBMARINE.

BAUMGART TOLD THE COURT TODAY HE WAS BORN IN SOUTHWEST AFRICA AND HAD GIVEN UP HIS [redacted] CITIZENSHIP FOR GERMAN IN 1935.

DC

DEC 1947

Warsaw, Dec. 17-(AP)-Stanislaw Szwalbe, vice marshal of parliament, was reelected president of the executive council of the [redacted] party and Premier Josef Cyrankiewicz was reelected secretary-general. Oskar Lange, polish representative to the United Nations, was chosen an executive committee member. The party congress approved continuation of a united front with the communist workers party.

By edward Curtis

Beirut, Lebanon, Dec. 17--(AP)---an uneasy surface calm from aleppo in northern syria to beirut masks the violent opposition to palestine partition today.

The blackened and burned out synagogue in aleppo, largest northern syrian city, testified to the arabs angry assault upon the jewish

community there when the news of the u.n.'s partition vote first reached there. An american informant said there were no casualties in the riot, but two synagogues were burned, five or six jewish shops and the same number of homes destroyed, burned.

(Jewish sources in Jerusalem said they had unconfirmed reports eight Jews were killed in the disorders. A syrian press report previously had placed the losses from fire at 50 shops, many company houses and other institutions.)

A communist club also was smashed, and troops were finally called out and martial law declared when the demonstrators began trying to reach the American college. Americans, mostly officials of the Syrian petroleum company, were given military escort during the martial law period. DEC 1947

apr edcurtis 02000 cec 5p

HONG KONG, DEC 17-(AP)-BAO DAI, FORMER EMPEROR OF THE STATE OF ANNAM, INDOCHINA, WILL LEAVE SATURDAY BY BRITISH OVERSEAS PLANE FOR LONDON, THE CHINA MAIL SAID TODAY. HE IS REPORTEDLY PLANNING TO DISCUSS WITH FRENCH OFFICIALS INDEPENDENCE FOR INDOCHINA.

THE CHINA MAIL SAID HIS STAFF OF FOUR, FOR THE TRIP, WILL INCLUDE M. HENRY THINH, ANNAMITE FINANCIAL EXPERT WHO UNTIL RECENTLY WAS ON THE STAFF OF THE FRENCH CONSULATE HERE. THE PARTY WILL HAVE VISAS TO PERMIT VISITS IN HOLLAND, DENMARK AND SWITZERLAND WHILE IN EUROPE.

AFTER TALKS IN LONDON WITH THE FRENCH AMBASSADOR AND FRENCH FOREIGN MINISTER BIDAULT, BAO DAI WILL VISIT THE CONTINENT, LATER TRAVELING TO THE UNITED STATES AND OTHER COUNTRIES TO STUDY ECONOMIC SYSTEMS BEFORE RETURNING TO INDOCHINA.

THE ONLY PROBLEM REPORTED STILL UNSETTLED BETWEEN THE EX-EMPEROR AND THE FRENCH IS CONTROL OF THE STATES' ARMED FORCES. THE FRENCH INSIST ON RETAINING CONTROL, BUT BAO DAI WANTS COMPLETE INDEPENDENCE.

HF1156PPS NM

TOKYO, DEC. 17-(AP)-JAPANESE WERE VISIBLY DISCOURAGED BY COLLAPSE OF EUROPEAN PEACE TREATY TALKS BY THE COUNCIL OF FOREIGN MINISTERS, BUT TRIED TO SALVAGE SOME HOPE FROM THE EXPECTATION THAT THIS WOULD NOT AFFECT A PACIFIC TREATY.

DEC 1947

THE BELIEF IS GROWING HERE THAT ANY IMMEDIATE PACIFIC CONFERENCE -- WOULD HAVE TO BE CALLED BY UNITED STATES INITIATIVE, AND PROBABLY WOULD HAVE TO BE HELD WITHOUT RUSSIAN PARTICIPATION.

RUSSIAN FOREIGN MINISTER MOLOTOV'S PROPOSAL AT THE BEGINNING OF THE LONDON CONFERENCE THAT THE FOREIGN MINISTERS CONSIDER A JAPANESE TREATY STIRRED A WAVE OF OPTIMISM WHICH DIED HARD.

THE FINAL CONCLUSION OF THE LONDON MEETING DREW "PROFOUND REGRET" FROM THE JAPANESE PRESS.

RA127ACS

TOKYO, DEC 17 (AP)-ALLIED HEADQUARTERS ANNOUNCED TODAY CHINA WOULD RECEIVE AS REPARATIONS ABOUT 1,500 PIECES OF JAPANESE LABORATORY AND RESEARCH EQUIPMENT. DESCRIBED AS "COMPARATIVELY SMALL X X X IN VALUE," THE EQUIPMENT COMES UNDER THE INTERIM REPARATIONS PROGRAM. ANOTHER 1,500 ITEMS IS TO BE DIVIDED AMONG THE NETHERLANDS, PHILIPPINES AND THE UNITED KINGDOM.

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MANILA, THURSDAY, DEC. 18-(AP)-THE PHILIPPINE CUSTOMS BUREAU RECEIVED A REPORT FROM ONE OF ITS INSPECTORS TODAY THAT TWO AMERICANS AND TWELVE FILIPINO SEAMEN ON THE SMALL MOTOR VESSEL HOOSKAG HAVE BEEN DETAINED BY NETHERLANDS INDIES AUTHORITIES AT MENADO, ON NORTHEASTERN CELEBES, SINCE LATE LAST MONTH. NATURE OF THE CHARGE, IF ANY, WAS NOT KNOWN.

THE AMERICANS WERE NAMED AS J.C.SKAGLIN AND D.SHERMAN; THEIR HOME ADDRESSES WERE NOT GIVEN. THE CUSTOMS INSPECTOR, GENARO RIVERA, HAD ACCOMPANIED THE VESSEL FROM ZAMBOANGA BUT WAS NOT DETAINED.

DV953PCS

ITO (350)

BY M. M. KREEGER

HAVANA, DEC 17-(AP)-THE ABSENCE OF NEWS HAS BECOME THE BIGGEST NEWS AT THE HAVANA TRADE CONFERENCE, WHERE "POCKET VETOES" BY SUB-COMMITTEE CHAIRMEN ARE CONCEALING SOME OF THE INNERMOST WORKINGS OF THE MEETING.

ONE OF THE CHAIRMEN HAS DECLINED TO APPROVE ANY "COMMUNIQUE" ON THE WORK OF HIS GROUP, AND TWO OTHERS HAVE REFRAINED FROM EITHER APPROVAL OR DISAPPROVAL UNDER THE CENSORSHIP RULE ADOPTED BY THE CONFERENCE GENERAL COMMITTEE LAST SATURDAY.

THE CUBAN NATIONAL COLLEGE OF JOURNALISTS, THE HAVANA PRESS CLUB, THE CUBAN CONFERENCE DELEGATION, MEMBERS OF SEVERAL DELEGATIONS AND SOME RANKING OFFICIALS HAVE EXPRESSED OPPOSITION TO THE BRITISH-INSPIRED RULE REQUIRING CHAIRMEN'S APPROVAL OF RELEASES OF NEWS ABOUT SUBCOMMITTEE ACTIVITIES.

SUBCOMMITTEES ARE CONDUCTING NEARLY ALL THE WORK AT THIS STAGE OF THE UNITED NATIONS-SPONSORED CONFERENCE, WHICH IS CONSIDERING A PROPOSED CHARTER FOR AN INTERNATIONAL TRADE ORGANIZATION.

AMONG OFFICIALS URGING A FREE FLOW OF INFORMATION ARE BENJAMIN COHEN, ASSISTANT SECRETARY GENERAL OF THE UNITED NATIONS; DR. SERGIO CLARK, CUBAN MINISTER WITHOUT PORTFOLIO AND PRESIDENT OF THE CONFERENCE; AND ERIC WYNDHAM WHITE, EXECUTIVE SECRETARY OF THE CONFERENCE.

DEC 1947

THE ONLY SIGNIFICANT NEWS EMANATING FROM THE CONFERENCE BUSINESS YESTERDAY CAME FROM THE ORGANIZATION COMMITTEE--A FULL COMMITTEE, IN WHICH THE CENSORSHIP RULE DID NOT APPLY.

UNITED NATIONS REPORTERS COVERING THIS SESSION SAID THAT GREAT BRITAIN AND CANADA HAD MODIFIED THEIR STANDS ON THE METHOD OF VOTING IN THE PROPOSED ITO--A SORE POINT IN EARLY DEBATES.

CANADIAN DELEGATE LOUIS COUILLARD SAID HIS DELEGATION WAS TENTATIVELY WILLING TO COMPROMISE ITS PREVIOUS STRONG POSITION IN FAVOR OF "WEIGHTED VOTING," ACCEPTING A SYSTEM OF ONE VOTE FOR EACH MEMBER OF THE ITO.

STEPHEN L. HOLMES OF GREAT BRITAIN SAID HIS COLLEAGUES FAVORED THE LINE OF APPROACH ANNOUNCED MONDAY BY THE UNITED STATES -- WHICH SWUNG FROM THE "WEIGHTED VOTE" TO THE "EQUAL VOTE" PLAN -- BUT WOULD HAVE TO DEFER FINAL ACCEPTANCE UNTIL THE WHOLE CHARTER COULD BE STUDIED.

UNDER THE "WEIGHTED VOTING" SYSTEM, NATIONS WITH LARGER POPULATION, WEALTH AND TRADE WOULD HAVE ADDED BALLOTING POWER. THE UNITED STATES, WHICH WOULD HAVE HAD MOST VOTING STRENGTH UNDER THE SYSTEM, MONDAY SAID IT WOULD ACCEPT THE EQUAL-VOTE PLAN FAVORED BY SMALLER NATIONS.

MK548AES

30.24- 14315

HAVANA, DEC. 17-(AP)-THE GENERAL COMMITTEE OF THE HAVANA TRADE CONFERENCE MOVED TONIGHT TO EASE ITS FOUR-DAY-OLD CENSORSHIP RULE BY INSTRUCTING SUBCOMMITTEE CHAIRMEN TO MAKE "FULL INFORMATIVE STATEMENTS" AFTER EACH MEETING OF THEIR GROUPS.

THE DECISION WAS TAKEN AFTER DEBATE ON THE BRITISH-INSPIRED REGULATION EMPOWERING SUBCOMMITTEE CHAIRMEN TO EDIT OR CENSOR NEWS RELEASES ON THEIR BODIES' ACTIVITIES.

THE CENSORSHIP HAD BEEN STRONGLY PROTESTED BY THE CUBAN COLLEGE OF JOURNALISTS, THE HAVANA REPORTERS CLUB, THE INTER-AMERICAN PRESS SOCIETY, MEMBERS OF SEVERAL LATIN-AMERICAN DELEGATIONS, AND HIGH OFFICIALS OF THE CONFERENCE AND THE UNITED NATIONS.

PREVIOUS TO ADOPTION OF CENSORSHIP, UNITED NATIONS STAFF REPORTERS HAD ATTENDED SUBCOMMITTEE MEETINGS AND GIVEN IMMEDIATE FULL "BRIEFINGS" TO NEWSPAPERMEN.

SINCE THE START OF THE CONFERENCE NOV. 21 THE GENERAL PRESS HAS BEEN EXCLUDED FROM MEETINGS OF THE SUBCOMMITTEES, WHICH ARE DOING MOST OF THE WORK TOWARD A CHARTER FOR AN INTERNATIONAL TRADE ORGANIZATION.

DEC 1947

TA1139PES

PANAMA, PANAMA, DEC.17-(AP)-PRESIDENT ENRIQUE JIMENEZ TOLD HIS NATION TONIGHT HE "MOST SINCERELY RECOMMENDED" THAT THE NATIONAL ASSEMBLY RATIFY AN AGREEMENT WITH THE UNITED STATES FOR LEASING 14 MILITARY SITES BECAUSE "A CLASH FOR SUPREMACY BETWEEN DEMOCRACY AND COMMUNISM IS IMMINENT."

THE UNITED STATES AND PANAMA SIGNED AN AGREEMENT A WEEK AGO FOR THE LEASING OF 13 DEFENSE SITES AND AN AIR BASE ON PANAMANIAN SOIL TO THE UNITED STATES FOR DEFENSE OF THE PANAMA CANAL, BUT THE ASSEMBLY HAS NOT YET RATIFIED THE PACT.

JT1017PES

VANCOUVER, B. C., DEC.17-(AP)-LOADING OF A $1,200,000 (MILLION) CARGO OF AMMUNITION AND AIRCRAFT GROUND EQUIPMENT, DESTINED FOR CHINESE NATIONALIST FORCES, WILL BEGIN HERE TOMORROW.

MORE THAN 15,000,000 ROUNDS OF SMALL ARMS AMMUNITION AND HUNDREDS OF TONS OF AIR FORCE GROUND EQUIPMENT WILL BE TAKEN ABOARD THE S. S. COLIMA, WATERFRONT SOURCES DISCLOSED.

GOVERNMENT SOURCES IN OTTAWA SAID THE SHIPMENT WAS PART OF THE $10,500,000 MOSQUITO PLANE DEAL NEGOTIATED BETWEEN CANADA AND CHINA SOME TIME AGO.

UNDER THE AGREEMENT, CANADA IS TO SHIP 170 SURPLUS PLANES, EQUIPPED WITH GUNS AND AMMUNITION, AS WELL AS A QUANTITY OF GROUND MAINTENANCE EQUIPMENT. THE MUNITIONS LEAVING VANCOUVER ARE EXCLUSIVELY FOR USE OF GUNS IN THE AIRCRAFT AND ARE THE SECOND SUCH SHIPMENT TO LEAVE CANADA.

THE FIRST SHIPMENT LEFT MONTREAL A FEW WEEKS AGO.

FEDERAL GOVERNMENT AUTHORITIES SAID THAT THE SHIPMENTS WERE BASED PRIMARILY ON ECONOMIC CONSIDERATIONS WITH NO POLITICAL MOTIVES INVOLVED.

THE COLIMA WILL SAIL FRIDAY FOR WU SONG, PORT NEAR SHANGHAI.

FJ1032PCS

OTTAWA,DEC.17-(AP)-CANADIAN HOUSEHOLDERS ARE ASSURED OF FAIRLY STABLE RENTS FOR AT LEAST ANOTHER YEAR, OFFICIAL SOURCES SAID TODAY.

WHILE PRICE CEILINGS HAVE BEEN REMOVED FROM ALL BUT A FEW ITEMS, IT IS EXPECTED THEY WILL REMAIN ON DOMESTIC RENTALS PROBABLY UNTIL THE END OF MARCH, 1949.

A FEW DAYS AGO THE HOUSE OF COMMONS EXTENDED DEC. 31 TO MARCH 31, 1948, THE GOVERNMENT'S POWERS TO CONTINUE PRICE CONTROLS, BUT THIS WAS A TEMPORARY MEASURE AND IT IS CONSIDERED CERTAIN THAT WHEN PARLIAMENT MEETS AGAIN IN THE NEW YEAR IT WILL BE ASKED TO MAKE PROVISION FOR A FURTHER EXTENSION, AT LEAST IN RESPECT TO RENTALS ON APARTMENTS AND HOMES.

WHETHER OR NOT THE RENTAL CEILINGS WOULD BE HELD AT THEIR PRESENT LEVEL DURING THE NEXT YEAR REMAINED IN DOUBT AS A "MATTER OF GOVERNMENT POLICY." LAST APRIL LANDLORDS WERE PERMITTED TO INCREASE RENTS BY 10 PER CENT PROVIDED THEY OFFERED THEIR TENANT A TWO-YEAR LEASE AT THE NEW FIGURE.

IT HAS ALREADY BEEN ANNOUNCED THAT RENT CONTROLS ON COMMERCIAL BUILDINGS WILL EXPIRE NEXT MARCH 8. COMMERCIAL CONTROLS WERE EASED BY 25 PER CENT LAST SPRING.

MJ512PES

WASHINGTON, DEC 17-(AP)-EMERGENCY SHIPLOADS OF AMERICAN COAL AND GRAIN MOVED TOWARD FRANCE TODAY AS THE FIRST DIVIDEND OF THE CONGRESS-APPROVED PLAN TO RUSH HELP TO WESTERN EUROPE.

GOVERNMENT OFFICIALS DISCLOSED THAT CARGOS OF AMERICAN SUPPLIES TO BE PAID FOR WITH U.S. FUNDS LEFT EAST COAST PORTS WITHIN THE PAST FEW DAYS IN ANTICIPATION OF PRESIDENT TRUMAN'S SIGNATURE OF THE $597,000,000 (MILLION) BILL FINALLY APPROVED MONDAY BY BOTH HOUSE AND SENATE.

DEC 1947

STATE DEPARTMENT PLANNERS JUMPED THE GUN ON ARRANGING TO PAY FOR THESE INITIAL SHIPMENTS BECAUSE OF WHAT THEY CALLED THE URGENT NEED TO KEEP A CONTINUOUS SUPPLY OF FOOD AND FUEL FLOWING TO FRANCE.

THE FIRST COAL AND WHEAT SHIPMENT FOR ITALY, THEY SAID, WILL LEAVE LATER THIS MONTH. ITALY CURRENTLY IS USING FUNDS GIVEN IT LAST SUMMER UNDER A PREVIOUS RELIEF PROGRAM.

AUSTRIA ALSO IS DUE TO SHARE IN THE PROGRAM, BUT TO A LESSER EXTENT THAN THE OTHER TWO COUNTRIES.

CONGRESS HAS YET TO ENACT AN APPROPRIATION BILL, BUT MR. TRUMAN'S SIGNATURE OF THE AUTHORIZATION LEGISLATION WILL MAKE AVAILABLE A $150,000,000 FUND FROM THE RECONSTRUCTION FINANCE CORPORATION.

SU634AES

TOBACCO

BY MARGARET KERNODLE
AP SPECIAL WASHINGTON SERVICE

WASHINGTON,DEC.17-(AP)-SENATOR UMSTEAD (D-NC) PROPOSED TODAY THAT THE UNITED STATES SEND 100,000,000 (MILLION) POUNDS OF TOBACCO TO GERMANY "AS A GOOD INVESTMENT."

THIS AMOUNT WOULD ASSURE THE GERMAN TOBACCO INDUSTRY OF CONTINUOUS OPERATIONS FOR AT LEAST 12 MONTHS, HE SAID IN A STATEMENT PREPARED FOR THE SENATE APPROPRIATIONS COMMITTEE HEARINGS ON FOREIGN AID.

"I PROPOSE THAT THIS COMMITTEE MAKE AVAILABLE AT LEAST 100,000,000 POUNDS OF TOBACCO NOW HELD BY THE COMMODITY CREDIT CORPORATION FOR IMMEDIATE USE BY THE GERMAN TOBACCO INDUSTRY IN PRODUCTION OF TOBACCO PRODUCTS," UMSTEAD SAID.

"THIS TOBACCO SHOULD NOT BE PAID FOR OUT OF FUNDS REQUESTED BY THE ARMY FOR MAINTENANCE OF THE GERMAN PEOPLE. IT SHOULD BE CONSIDERED OVER AND ABOVE SUCH REQUIREMENTS AND BASED UPON SOUND BUSINESS PROCEDURE FOR THIS GOVERNMENT BECAUSE:

"1. IT WOULD DISPOSE OF A SUBSTANTIAL PART OF THE SURPLUS TOBACCO NOW ON HAND, WOULD RELIEVE THE PRESSURE ON PRICES AND WOULD TEND TO RELIEVE THE NECESSITY OF SEVERE CUTS IN MARKETING QUOTAS.

"2. IT WOULD PRESERVE A TREMENDOUS POTENTIAL MARKET FOR AMERICAN TOBACCO AND TOBACCO PRODUCTS WHICH WOULD MEAN MUCH TO THIS COUNTRY WHEN GERMANY HAS BEEN REHABILITATED AND FOREIGN TRADE IS REVIVED AMONG NATIONS.

"3. IT WOULD RE-ESTABLISH THE TOBACCO INDUSTRY IN GERMANY AND MAKE SOME CONTRIBUTION TOWARD ITS ECONOMIC REHABILITATION."

HE CONTINUED:

"IT WOULD BE A MORALE BUILDER AND PROBABLY WOULD INCREASE GERMAN PRODUCTION IN AGRICULTURE AND INDUSTRY.

"EVEN A SMALL FRACTION OF INCREASED PRODUCTION WOULD REDUCE OUR EXPENSES IN GERMANY BY AN AMOUNT IN EXCESS OF THE COST OF THIS PROPOSAL."

"IT IS HIGHLY IMPORTANT," THE CAROLINIAN SAID, "THAT WE MAKE EVERY EFFORT TO PRESERVE MARKETS FOR OUR PRODUCTS WHICH HAVE BEEN HISTORICALLY EXPORT PRODUCTS. UNLESS THIS IS DONE WE SHALL DEVELOP DOMESTIC PROBLEMS WHICH WILL SERIOUSLY AND ADVERSELY AFFECT X X X OUR NATIONAL ECONOMY."

DEC 1947

B3WX SECG

HE TOLD THE COMMITTEE:

750,000 FARM FAMILIES ON ABOUT 550,000 FARMS OF 21 STATES IN 1946 PRODUCED 2,312,000,000 (BILLION) POUNDS OF TOBACCO WORTH $1,041,198,000 (BILLION) WHICH WAS FOUR PERCENT OF THE FARM INCOME OF THIS COUNTRY.

THE CROP THIS YEAR WILL RUN ABOUT 2,190,000,000 (BILLION) POUNDS WITH CASH VALUE OF $945,000,000 (MILLION).

NORMALLY 20 TO 30 PERCENT OF THE CROP HAS BEEN EXPORTED.

RECEIPTS FROM FEDERAL TAXES ON TOBACCO PRODUCTS IN THE YEAR WHICH ENDED JULY 1 TOTALED $1,165,519,000 (BILLION) AND IN 1947 ARE ESTIMATED AT $1,237,768,000 (BILLION) OR ONE-THIRTY-SIXTH OF THE REVENUE COLLECTED BY THE GOVERNMENT.

200,000 PEOPLE ARE EMPLOYED IN TOBACCO INDUSTRY, OUTSIDE OF FARMING.

FLUE-CURED AND BURLEY TOBACCO ARE PRODUCED UNDER QUOTA TO KEEP PRODUCTION IN LINE WITH CONSUMPTION, TAKING INTO CONSIDERATION EXPORT TRADE; PRICES ARE SUPPORTED BY THE FEDERAL GOVERNMENT AT 90 PERCENT OF PARITY. QUOTAS FOR 1948 HAVE BEEN CUT BELOW THOSE OF 1947.

"UNDER THIS PROCEDURE, THE GOVERNMENT LOANED ON 241,000,000 (MILLION POUNDS OF THE 1946 CROP, THE SUM OF $85,836,548 (MILLION) AND IT IS ESTIMATED THE GOVERNMENT WILL LEND ON 306,000,000 (MILLION) POUNDS OF THE 1947 CROP THE SUM OF $127,000,000 (MILLION).

"THIS MEANS THAT AT THE END OF THIS MARKETING SEASON THE GOVERNMENT WILL HAVE LOANED ON TOBACCO THE TOTAL SUM OF $212,000,000 (MILLION) AND WILL HAVE ON HAND APPROXIMATELY 547,000,000 (MILLION) POUNDS OF TOBACCO."

MD248AES

DEC 1947

(370) JAPAN

WASHINGTON,DEC.17-(AP)-THE STATE DEPARTMENT HAS AGREED TO FURNISH THE SENATE APPROPRIATIONS COMMITTEE A SECRET DOCUMENT KNOWN AS "FEC 230" CONTAINING A POLICY DIRECTIVE WHICH SOME CONGRESSIONAL CRITICS ASSERTED WOULD IMPOSE A "MORGENTHAU PLAN" ON JAPAN.

SENATOR KNOWLAND (R-CALIF), WHO DEMANDED ACCESS TO THE DOCUMENT, TOLD A REPORTER TONIGHT HE HAS RECEIVED A COPY OF A LETTER FROM THE STATE DEPARTMENT TO CHAIRMAN BRIDGES (R-NH) SAYING THE CONFIDENTIAL DIRECTIVE WOULD BE FORWARDED TO THE COMMITTEE.

KNOWLAND SAID THE STATE DEPARTMENT ASKED THAT IT BE KEPT CONFIDENTIAL BY THE SENATE GROUP UNTIL THE DEPARTMENT COULD CLEAR ITS RELEASE WITH OTHER NATIONS IN THE FAR EASTERN COMMISSION.

THE CALIFORNIA SENATOR SAID HE SAW NO REASON, HOWEVER, WHY THE DOCUMENT SHOULD NOT BE MADE PUBLIC. HE ADDED IT IS HIS UNDERSTANDING THAT THE DIRECTIVE CONTAINED IN IT SETS OUT SOME "STARTLING" ECONOMIC THEORIES IN CONNECTION WITH THE REHABILITATION OF JAPAN.

"I SHOULD LIKE TO HAVE THE APPROPRIATIONS COMMITTEE OR THE SENATE FOREIGN RELATIONS COMMITTEE DETERMINE WHO DRAFTED THIS DIRECTIVE, WHETHER GENERAL DOUGLAS MAC ARTHUR WAS CONSULTED IN ADVANCE ABOUT IT AND WHETHER IT REMAINS PART OF OUR POLICY IN DEALING WITH JAPAN," KNOWLAND SAID.

HE REPORTED THE STATE DEPARTMENT INSISTED THE DOCUMENT HAD BEEN WITHDRAWN FOR FURTHER STUDY AFTER HAVING BEEN SUBMITTED TO THE FAR EASTERN COMMISSION.

DEC 1947

IT WAS REPORTED IN CONGRESSIONAL CIRCLES THAT THE DIRECTIVE LOOKS TOWARD BREAKING UP THE LARGE MONOPOLIES AND TRUSTS WHICH CONTROLLED PRACTICALLY ALL OF JAPAN'S INDUSTRIAL OUTPUT BEFORE THE WAR.

BEYOND THIS, IT WAS SAID TO PROCEED IN THE DIRECTION OF REDUCING JAPAN TO AN AGRICULTURAL AND SMALL MANUFACTURING STATE AS FAR AS THAT IS POSSIBLE.

ONE SENATOR SAID THAT IN HIS ESTIMATION THE DOCUMENT EMBODIED A "MORGENTHAU PLAN" FOR JAPAN. THE MORGENTHAU PLAN WAS A PROPOSAL FOR GERMANY WHICH WOULD HAVE REDUCED IT TO A PASTORAL STATE.

KNOWLAND ASKED STATE DEPARTMENT WITNESSES TO FURNISH THE JAPANESE PAPER TO THE COMMITTEE AFTER HEARINGS TODAY ON THE CHINA AID QUESTION.

MD101AES

30.24- 14317

NEWARK, N.J., DEC.17-(AP)-IMMIGRATION AUTHORITIES HERE SAID TODAY THEY HAD DETAINED AN ITALIAN "DIPLOMAT" WHO ARRIVED IN THE UNITED STATES TWO MONTHS AGO AND WAS FOUND WORKING LATER AS A GARBAGE COLLECTOR IN NEARBY EAST ORANGE.

H. P. WORTENDYKE, CHIEF OF THE NEWARK IMMIGRATION BUREAU, SAID THE MAN, VINCENZO APPICE, 35, HAD ARRIVED HERE AS "AN ACCREDITED OFFICIAL OF A FOREIGN GOVERNMENT" BUT WAS FOUND BY FEDERAL INVESTIGATORS AT WORK ON A GARBAGE TRUCK IN EAST ORANGE.

APPICE, WHO GAVE HIS ADDRESS AS EAST ORANGE, SAID HE WASN'T SURE WHAT IT WAS ALL ABOUT. HE HAD APPLIED FOR A PASSPORT IN HIS HOMETOWN OF FLORENCE, ITALY, AND, HE SAID, THE DIPLOMATIC PASSPORT WAS THE ONE THEY GAVE HIM.

XM1145PES NM

LOVETT

WASHINGTON,DEC. 17-(AP)-UNDER SECRETARY ROBERT A.LOVETT SAID TODAY THE STATE DEPARTMENT INTENDS TO MEET WHAT HE TERMS RUSSIAN PROPAGANDA DISTORTIONS BY IDENTIFYING FALSEHOODS AND TELLING THE TRUE FACTS.

HE TOLD A NEWS CONFERENCE THIS POLICY WILL BE FOLLOWED ON THE "VOICE OF AMERICA" OFFICIAL RADIO, IN STATEMENTS TO THE PRESS, AND IN PUBLIC ADDRESSES OF OFFICIALS.

LOVETT MADE THIS STATEMENT WHEN ASKED WHAT MEASURES THE UNITED STATES IS TAKING TO COUNTERACT RUSSIAN CONTENTIONS THAT THIS COUNTRY IS RESPONSIBLE FOR THE BREAK-UP OF THE LONDON CONFERENCE OF THE BIG FOUR FOREIGN MINISTERS.

IN REPLY, HE SAID THE STATE DEPARTMENT IS CONCERNED LEST THIS RATHER OBVIOUS, ATTEMPT TO INFLUENCE OPINION IN EUROPE AND THE WORLD SHOULD GO UNCHALLENGED.

A2WX

A NUMBER OF OFFICIAL DISCUSSIONS HAVE BEEN HELD ON THE PROBLEM, HE SAID.

LOVETT WENT ON TO SAY HE KNOWS OF NO ANTIDOTE BUT THE TRUTH AND HENCE FORTH, IN ADDITION TO STATING THE FACTS, WE WILL IDENTIFY THE FALSEHOODS AND STATE THE TRUE FACTS.

VX407PES

(ADVANCE) NEW YORK, DEC.17-(AP)-GEN.A.G.L.MCNAUGHTON, CANADIAN MEMBER OF THE UUNITED NATIONS ATOMIC ENERGY COMMISSION, PREDICTED TODAY THAT THE UNITED STATES WILL MAINTAIN ITS "ASCENDENCY" IN THE FIELD OF ATOMIC ENERGY FOR 10 YEARS AT LEAST.

HE DECLARED ALSO THAT IT IS "REASONABLY PROBABLE" THAT THERE WILL NOT BE AN ATOMIC WAR "FOR A WHILE YET," BUT CAUTIONED THAT "IT WOULD BE FOLLY TO WASTE TIME" IN PREPARING DEFENSIVE MEASURES.

GEN.MCNAUGHTON SPOKE TO THE CANADIAN CLUB OF NEW YORK ON THE EVE OF RESUMPTION BY THE ATOMIC COMMISSION AT LAKE SUCCESS OF AN ATTEMPT TO FIND A SOLUTION FOR THE WORLD'S ATOMIC PROBLEMS. THE COMMISSION'S WORKING COMMITTEE WILL MEET TOMORROW TO PLAN ITS WORK.

IN HIS PREPARED ADDRESS, MCNAUGHTON SAID THAT THE KEY TO THE SITUATION "IN THIS TROUBLED WORLD IS AGREEMENT FOR THE CONTROL OF ATOMIC ENERGY."

(END ADVANCE FOR 1 PM EST, WEDNESDAY, DEC.17)

JP359AES

NEW YORK, DEC. 17-(AP)-PLANS TO ESTABLISH THE FIRST ACADEMY TO TRAIN RUSSIAN ORTHODOX PRIESTS AT THE UNIVERSITY LEVEL AND TO TEACH RUSSIAN RELIGIOUS THOUGHT AND PHILOSOPHY IN THE UNITED STATES WERE ANNOUNCED TODAY.

THE ACADEMY, NOW KNOWN AS ST. VLADIMIR'S RUSSIAN ORTHODOX THEOLOGICAL SEMINARY, WILL OPEN IN SEPTEMBER, 1948, IN BUILDINGS OF UNION THEOLOGICAL SEMINARY, WHICH IS AFFILIATED WITH COLUMBIA UNIVERSITY.

THE ACADEMY WILL HAVE ACCESS TO THE SEMINARY'S FACILITIES BUT WILL BE ENTIRELY INDEPENDENT, ACCORDING TO THE ANNOUNCEMENT BY DR. HENRY P.VAN DUSEN, PRESIDENT OF THE SEMINARY.

TA1150PES

U.N.-ATOMIC (220)

BY FRANCIS W.CARPENTER

NEW YORK, DEC.17-(AP)-FREDERICK H.OSBORN, UNITED STATES DEPUTY ON THE UNITED NATIONS ATOMIC ENERGY COMMISSION, PREDICTED TODAY THAT RUSSIA MIGHT SOME DAY CHANGE HER MIND AND SIGN A TREATY SETTING UP WORLD ATOMIC ENERGY CONTROL.

RUSSIA SO FAR HAS REFUSED TO ACCEPT SUCH A BROAD TREATY, WHICH IS FAVORED BY THE U.S. AND NINE OTHER NATIONS ON THE 12-MEMBER COMMISSION. SHE HAS DEMANDED IMMEDIATE OUTLAWING OF THE ATOMIC BOMB, WITH CONTROLS TO BE SET UP AFTER FURTHER NEGOTIATIONS WHICH SOME DELEGATES SAID COULD GO ON FOR YEARS.

OSBORN OUTLINED HIS VIEWS ON THE IMPASSE IN THE U.N. COMMISSION BETWEEN RUSSIA AND THE MAJORITY TO A NEWS CONFERENCE. ATOMIC DELEGATES WILL BEGIN ANOTHER ATTEMPT TO FIND AGREEMENT WHEN THE COMMISSION'S WORKING COMMITTEE MEETS TOMORROW MORNING AT LAKE SUCCESS.

OSBORN SAID THERE IS NO POSSIBILITY OF SETTING UP AN INTERNATIONAL ATOMIC DEVELOPMENT AUTHORITY, AS FAVORED BY THE U.S., WITHOUT RUSSIAN PARTICIPATION. HE SAID NO COUNTRY WANTS TO STOP THE LONG SEARCH FOR AGREEMENT AND EMPHASIZED THAT THE U.S. STILL IS HOLDING OPEN A DOOR TO THE RUSSIANS.

"I FEEL THAT AS THE WORLD AND THE SOVIET SITUATIONS CHANGE THERE IS INCREASING LIKELIHOOD THAT THEY (THE RUSSIANS) WILL DESIRE SERIOUSLY TO NEGOTIATE A TREATY AND FOR THAT REASON IT IS WORTHWHILE KEEPING NEGOTIATIONS OPEN AS LONG AS POSSIBLE," HE SAID.

THE UNITED STATES WANTS THE ATOMIC DEVELOPMENT AUTHORITY SET UP TO CNTROL EVERY PHASE OF

TO CONTROL EVERY PHASE OF ATOMIC ENERGY AROUND THE WORLD, WITH CONTROLS AND REGULATIONS LAID DOWN IN A SINGLE TREATY.

JT1022PES

End Dec. 17, 1947

30.24- 14319

Red Propaganda At Parley Hit By Bevin

DEC 1947

London, Dec. 18 (AP)—Foreign Secretary Ernest Bevin blamed Russia's "hostile propaganda" today for the breakdown of the Big Four Foreign Ministers Conference, but said Britain would "close no doors" in her effort to bring unity to Europe and peace to the world.

In a formal report to the House of Commons, he labeled as untrue Soviet accusations that the Western powers are attempting to divide Europe and reaffirmed his opposition to a strong central German government, "one that can so easily again become a dictatorship."

His message was brightened only by a reference to Austria. He told the British lawmakers that there is "an indication" that a new Russian proposal on Austria may be advanced soon, and expressed hope it would lead to a peace settlement.

The Austrian treaty is under discussion by the foreign ministers' deputies.

Asks About America

W. N. Warbey, a Laborite, told Commons he indorsed a "good deal" of Bevin's criticism of Russia, but asked whether the Foreign Secretary did not "attach some blame to the American delegation."

Cries of "Why? and "Oh, oh" sounded in the House.

"I am not praising or blaming," Bevin replied. "What I have said is that we could not carry on."

In a formal report to Commons, Bevin also charged that Soviet opposition to participation by her neighboring countries in the Marshall plan" is violating the free choice of free states and is an interference with their independence and sovereignty."

Just as he told Soviet Foreign Minister V. M. Molotov himself near the close of the talks Monday, Bevin reported to the House that "we were met with a number of long speeches and unjustified and false accusations."

Bevin said "unfortunately, ever since its creation," the Council has alternated between carrying out its original purpose of drafting treaties for submission to a peace conference and "being used for entirely different purposes."

Cause Of Despondency

"There is no doubt that this has created despondency in the world," Bevin said.

He asserted that any government to be set up in Germany must be representative "and not a tool in the hands of the occupying powers."

In discussing reparations—the immediate issue upon which the conference collapsed—Bevin said that the Western powers could not be expected to commit themselves without having all the facts on the Russian zone of occupation.

But, Bevin said, "we were told that we could only have this if we agreed to the Soviet claim for reparations in advance." [Russia has demanded $10,000,000,000, with payment to begin from current production.]

"We have been accused of taking all kinds of preparations to divide Europe and set up alternative governments," he said.

This he labeled "untrue."

"No Desire To Divide World"

"We have no aim or desire to divide the world," declared Bevin.

But he added:

"We cannot go on as we have been. We have hoped against hope that four-power collaboration would work. Most of the world can find a basis of agreement and they cannot all be wrong."

And Bevin asserted that Britain, in striving for peace, "shall close no doors."

He said, "We shall do our best . . . to produce in the end what I still believe is necessary unity—not only unity of Germany, but unity of Europe and peace to the world."

tempting to divide Germany and Europe.

"We shall do our best to try to produce out of this difficult situation," he said, "what I still believe is necessary—the unity not only of Germany but the unity of Europe and the peace of world."

Bevin spoke as Secretary of State Marshall, together with American ambassador to Britain, Lewis Douglas, took off by plane for home. Bevin had lunch with the two American diplomats. Earlier in the day, the foreign secretary reviewed the international situation with the cabinet.

Douglas' departure revived reports he may be slated for a post in administration of the Marshall Plan for European recovery.

There was little to balance the sharp disappointment and pessimism reflected in Bevin's report to Commons. The single bright spot came in his discussion of Austria's future. He said there was an "indication" that a new Soviet proposal on Austria may be advanced soon, and expressed hope it would lead to a peace settlement.

This came only a few hours after Dr. Karl Guber, Austrian foreign minister, told a news conference here that there appeared to be "real hope" for the first time that the big four would write an agreed peace pact for his country.

A British foreign office spokesman expressed the opinion at another news conference that yesterday's discussion between the foreign minister's deputies over east-west differences in Austria was "encouraging and helpful."

All three references—Bevin's, Gruber's and the foreign office spokesman's—apparently were based upon Russia's offer to submit counter-proposals to a French compromise plan for settling disposition of German assets in Austria, chief barrier to an agreement.

This was in line with Soviet Foreign Minister V. M. Molotov's announcement to the council of foreign ministers that he was ready to study the French proposal as a basic for discussion. Previously, when the French compromise was presented at a four-power commission meeting in Austria, the Russians had refused even to discuss it.

Gruber interpreted Soviet willingness to give detailed objections as meaning that "at last the great powers have dropped principles and have got down to a business-like basis of figures and facts."

The French formula would give Russia $100,000,000 of goods from Austrian production over the next 10 years, all Germany's former Danubian shipping interests, one half of the output of the Zisterdorf oil fields and one third share in prospected oil areas. All these properties had been taken over by the Germans although former owners included many foreign interests, including British and American.

The Soviet statement yesterday reserved a decision on the $100,000,000 worth of goods, and demanded a two-thirds share in the Zisterdorf oil fields and other prospected oil areas. Previously the Russians have demanded 100 per cent.

Bevin forestalled a full dress debate at this time on the problems involved in the council's breakdown and the pending moves by the western powers to link Germany's industrial machine into the European recovery program.

"His majesty's government," he said, "would prefer to study the problem as it now is, in all its aspects, it really means taking grave decision in the face of the world and the future."

"We have no desire to divide the world," he added.

Anthony Eden, former foreign minister and deputy leader of the conservative opposition, paid tribute to Bevin's efforts to seek agreement within the council.

western European states.

Secretary Marshall and British Foreign Secretary Ernest Bevin arranged a final conference on Germany today, prior to Marshall's scheduled departure for home.

The two lunched at the United States Embassy as guests of Ambassador Lewis Douglas, along with top administrators in the British and American zones in Germany.

Regrets Parley Failure

Just before leaving, Marshall expressed regret that the Council of Ministers failed to produce substantial results.

"I am particularly sorry that we could not reach some basic decision on such matters which would have benefited Germany and all Europe this winter," he said.

In a radio interview Marshall, responding to a B.B.C. commentator's reuest for a message to the British people, he said:

"I think the closer we are together the beter off we will be."

On the plane, in addition to Marshall and Douglas, were the American Ambassador to Poland, Stanton Griffis, and Charles Bohlen, C. H. Humelsine and Bromley Smith, of the State Department staff.

the London *Star's* lobby correspondent. The *Star* appeared on the streets, correctly forecasting the new tax measures, while Dalton was disclosing them to the House.

"Error Of Judgment"

The correspondent made "an error of judgment," the report said, but "that error of judgment was made in all good faith."

The committee's findings said investigation showed the leakage did not affect price movements or sales on the London Stock Exchange.

Dalton disclosed his new tax recommendations while entering the Commons chamber November 12 to read his budget message. He resigned the following day.

Russia Ordered Marshall Plan Boycott, Bevin Charges

DEC 19

LONDON, Dec. 18—(AP) Foreign Secretary Ernest Bevin charged today that Russia had "ordered" her neighboring nations to stay out of the Marshall Plan, thus violating "their independence and sovereignty."

GARSHON

His words—strong terms in discussing the affairs of another nation—were uttered in the House of Commons where he was the first of the foreign ministers to deliver a formal report to the public on the breakdown of the four-power council's deliberations on Germany.

He charged that Russia's "hostile propaganda" during the three weeks conference had "made it impossible to get to grips with the fundamental principles involved."

Firmly, he denied Soviet accusations the western powers are at-

Douglas Returning With Marshall

London, Dec. 18 (AP)—Secretary of State Marshall took off today for a flight back to Washington from London, the scene of the latest Big Four Foreign Ministers Conference.

The Secretary was accompanied by the United States Ambassador to London, Lewis W. Douglas, who had been a close adviser to the American delegation at the conference.

The departure of Douglas revived recent reports in London that he may be slated to assume some important post in the administration of the Marshall plan to aid the economic recovery of

Dalton Budget News Leak Explained

DEC 1947

London, Dec. 18 (AP)—A committee of the House of Common reported today, without censure of either principal, on the leak of budget information to a newsman which led to the resignation of Hugh Dalton as Chancellor of the Exchequer last month.

The committee said Dalton made a "premature and unpremeditated" disclosure of new tax recommendations to the newspaper man, then added:

"Mr. Dalton did not make his disclosure for premature publication and believed there was no possibility of such publication."

Neither did the committee condemn the actions of the newsman,

Pants Shortage— Many A Scot Down To His Last Kilt

London, Dec. 18 (AP)—The Scots, with only mild complaint, have sent most of their whisky abroad to help Britain's recovery. But they protested loudly today about the clothing shortage which has forced many Scotsmen to don kilts.

Major Guy Lloyd, M.P. for Renfrew, declared in the House of Commons that many Scotsmen are wearing kilts because they have no trousers, although nowadays the kilt is normally reserved for festival garb or dress uniform.

Another complaint came from Hector Hughes, Aberdeen M.P., who read a letter from a constituent. She said her 17-year-old grandson, 6-feet-2, couldn't accept a job because he couldn't get trousers to fit him.

"If the condition doesn't improve soon, I can see him having to work in his kilt," the letter said.

Harold Wilson, president of the Board of Trade, said he didn't think the trousers shortage was any worse in Aberdeen than elsewhere but promised to give "special attention" to the complaint.

10 REPORTED SHOT IN FIGHT AT PALERMO

Nation-Wide Food Worker Strike Set Five Days Before Christmas

Rome, Dec. 18 (AP)—Ten persons were reported wounded in a gun battle in front of Palermo's city hall tonight in the first major violence in Sicilian city general strikes. At the same time, a nation-wide walkout of 300,000 food workers was ordered to begin five days before Christmas.

While Communists and Republicans exchanged blows in a brawl on the floor of the Constituent Assembly, dispatches from Palermo, Sicilian capital, said police and demonstrators fought a pitched battle after a general strike there had ended and strikers tried to invade the city hall.

Third Full Strike Called

First reports said five police and five civilians were wounded when police tried to force the strikers to remove stone barricades they had placed in the city's main street.

A general strike was proclaimed in a third Sicilian city, Caltanisetta, and like action threatened in a fourth, Syracuse, by Leftists demanding winter unemployment relief on the pattern of Rome's Communist-led tieup last week. Catania, like Palermo, was in its third day of a general strike.

The general strike of food workers was called to begin at midnight Saturday—just when the Italian housewife begins preparing supplies for the Christmas dinner.

Second Called In Month

It is the second nation-wide strike called in Italy in a month. A gas workers' strike called last month never got beyond Rome, though its planners announced it progressively would be extended throughout Italy.

The National Federation of Food Workers, which called the walkout, said bakeries, milk distributors and ice plants would be exempted, but workers in food stores and factories, distilleries and candy, preserve and spaghetti processing plants and flour mills would participate. A breakdown in negotiations for a new contract was given as the reason for the walkout.

The strike vote in labor's Council of Leagues at Caltanisetta, a city of 50,000, was reported narrow, 18 voting for it and 16 against.

Printers Join Walkout

Violence in Palermo also followed a division in the Council of Leagues where 39 originally voted to call the strike and 3 against, with 6 abstentions and 51 absences.

In Catania, a back-to-work movement was reported with virtually all stores in the business section again open, and taxis again operating. Busses and streetcars remained tied up, however, and printers joined the walkout.

The Leftist newspaper *La Republica* said Syracuse, western Sicilian city of 54,000, was "on the eve of a general strike" protesting "bloody police provocation" in Lentini, Carlentini and Francoforte near the city.

"Peasants Terrorized"

The paper said general strikes were in progress at the three places and that the police had "terrorized peasants and workers." It reported that a peasant committee had waited upon a wealthy landowner at Lentini demanding that more be put on the pay roll and was received with machine-gun fire.

Ansa News Agency said miners in the Arno Valley also had struck, blocking roads and railroads and halting telephone and telegraph services by their demonstrations.

Comes Out Swinging

Blows in the Constituent Assembly were exchanged when Palmiro Togliatti, Communist chief, attacked Premier Alcide de Gasperi's coalition government for "subservience and complete obedience to the United States" and said the Republicans had "muddied their flag" by joining the Cabinet.

There was a flurry of shouts at this, and Giuseppe Chiosterci, 59-year-old Republican, came out of his seat swinging at a Communist. Other deputies joined the fray. Some tried to part the combatants, others pushed and shouted from the edges.

Umberto Terracini, Communist speaker, finally suspended the session before anyone was injured.

Earlier Togliatti was disclosed in the Communist newspaper *L'Unita* to have admitted in a speech last month at the Milan Congress of Communist Federations that the Communists were responsible for Italy's recent disorders.

Fisticuffs On Floor Of Italian Assembly

Rome, Dec. 18 (AP)—A violent attack by Communist Party Leader Palmiro Togliatti on what he called Premier Alcide de Gasperi's "complete submission" to the United States led to fisticuffs in the Constitutent Assembly today.

Communist Speaker Umberto Terracini had to suspend the session.

Few blows were struck, but passions aroused by Togliati's hour-long attack on the Christian Democrat Premier's foreign policies brought more than half of the Deputies out of their seats to join the surging, pushing, milling crowd on the floor.

Food Strike Called in Italy

DEC 1947

Stoppage of 300,000 Workers Is Set for Saturday—Sicily Has New Walkout.

Rome, Dec. 18 (A. P.).—A nationwide strike of 300,000 Italian food workers was called tonight for Saturday.

The new eruption of labor unrest came as dispatches said a general strike had been called in a third Sicilian city, Caltanissetta, and new disorders had broken out in north, south and central Italy.

The food strike was the second nationwide work stoppage called for Italy. The first, of gas workers, never extended beyond Rome, although the strike plan was for it to extend progressively from city to city.

At Catania, a back-to-work movement resulted in most stores of that Sicilian city reopening and in taxis and horse cars returning to their stands. However, printers and barbers joined the strike and buses and streetcars still were tied up. Five strike leaders were under arrest.

Disunion was reported among the labor unions participating in the general strike in Palermo, also in Sicily. The vote in the unions' Council of Leagues authorizing the strike was reported as thirty-nine for, three against, with six abstentions and fifty-one absences.

The Caltanisetta strike was voted eighteen to sixteen by the local Chamber of Labor, affiliated with the Communist-controlled National General Confederation of Labor. Earlier dispatches said a strike in that city of 50,000 might be called to back demands for unemployment relief. The reasons for the general walkouts in Catania and Palermo and earlier in Rome.

In the last five weeks, Italian disorders have resulted in twenty-three political killings and the pillaging and burning of about 100 party headquarters, most of them of the extreme right Uomo Qualunque (Common Man) movement.

While Pietro Nenni, pro-Communist Socialist leader, last night accused the Government of "almost considering as outlaws the partisans who fought against Fascists," the Government ended a week-long partisan occupation of the Pescara City Hall.

Normalcy returned to that Adriatic coast town, but there were reports of other disorders in Catania, Palmero and Gela in agricultural Sicily, as well as of workers' unrest in Milan.

No Serious Conflicts

A dispatch from Palermo said general strikes there and at Catania continued into their second day without serious conflicts.

In both places, public services, with the exception of city transport and bus lines around Mount Etna, which towers close to Catania, functioned normally. Both ports also continued to unload food and some other cargoes from arriving ships. Heavy mobile police detachments patrolled the streets.

New disturbances were reported at Gela, where an agreement for 100 days work for 1,400 jobless followed recent troubles. Demonstrators at Gela claimed the accord is not being carried out.

Both Claim Victory

Both Communist and pro-Government papers claimed a victory at

Pescara, the Communists on the ground the partisans marched out of the municipal seat in possession of the town flag.

The Rome newspaper *Momento* reported from Genoa that a burst of machine-gun fire from a speeding car seriously wounded the Carabinieri captain commanding the city detachment, and killed a passerby.

The Italian news agency Ansa reported from Castelnuovo dei Sabbioni in the Arno Valley that miners, who struck yesterday to protest a layoff, blocked roads, railroads and streets and halted telephone and telegraph services with demonstrations in the region.

Trieste, Dec. 18 (AP)—Two hand grenades were hurled by unknown persons tonight at the Communist newspaper weekly Progresso and at a Communist club. Police said no one was injured.

Mrs. Roosevelt Flying Home

GENEVA, Friday, Dec. 19 (AP)—Mrs. Franklin D. Roosevelt left Geneva by air for New York early today. She was here for the past two weeks as chairman of a meeting of the United Nations Commission on Human Rights, which ended Wednesday.

REDS ACCUSE REICH PARTIES

DEC 1947

Blaming Them for Disunity in Germany Stirs Row.

Frankfurt, Dec. 18 (A. P.).—A Communist effort to blame western Germany's political parties for current German disunity caused stormy outbursts today at a meeting of the British-American Bizonal Economic Council.

American observers present said they regarded the Communist charges as the opening gun in a campaign in western Germany to win votes from Germans disheartened over the failure of the Foreign Ministers' Conference in London.

Communist representatives in the Anglo-American Council said the other political parties "will participate in the building of a west German state." Representatives of other parties issued vigorous denials and passed a resolution proclaiming that, following the breakdown of the Big Four talks, they merely wished to develop bizonal institutions until all of Germany is united.

It was the first time political issues had entered the public debates of the strictly economic body.

Exchanges Touched Off.

The issue touched off exchanges between Communist representatives and spokesmen for the other political groups—the right wing Christian emocrats, the Liberal Democrats and the left wing Social Democrats. The debate began when the council president introduced a resolution "deeply regrettihg the adjournment of the London conference" and expressing hope that "all decisions made and measures taken will leave the way open for regrowth of an economically and politically united Germany."

The resolution denied reports that any organs of the bi-zonal council or political groups had done any "preliminary work of a constitutional nature for the erection of a West German State." It added, however, that the council was of the opinion that "it is important, in accordance with recent experiences, to undertake further development of bizonal institutions."

Amendment Proposed.

Communist representatives said the reference to "further development" left the door open for the formation of a western German Government. They then proposed an amendment recommending that the council go on record as rejecting "every plan for the creation of a western German state or government."

The amendment was rejected by all members except the Communists, and the resolution was adopted.

Walter Fisch, Communist leader, said in an interview that German politicians had secretly planned the creation of a western State at a meeting in Berlin held under American auspices on November 23, two days before the

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London conference began. Fisch is secretary of the Communist party in Hesse.

"A western Germany as an independent state won't work" he said.

A dispatch from Hamburg said British and American Military Governments had tightened controls along the 700 miles of frontier between the western zones and Russian-occupied Germany.

COMMUNISTS OPEN GERMAN CAMPAIGN

DEC 1947

Seek To Pin Any Division On Rival Political Parties

Frankfurt, Germany, Dec. 18 (AP). Communists in the German economic council for the British-American zones today fired what American observers said was the "first shot" in a campaign to pin any final partition of Germany on their rival political parties.

The council held its most heated session in its six-months' existence when political questions were injected openly for the first time by the council president, who proposed a resolution denying any organs of the bizonal council had done preliminary work on a constitution for a "west German state."

The resolution expressed regret at failure of the Foreign Ministers' Conference in London and hoped that "all decisions made and measures taken will leave the way open for the regrowth of an economically and politically united Germany."

Amendment Is Rejected

Max Reimann and Ludwig Becker, Communist members of the council, at once proposed an amendment declaring that neither the council nor any of its members would "participate in any talks or conferences" on any plan for creation of western German state.

When the council rejected the amendment and adopted the resolution, Reimann shouted, "this means that the House will participate in the building of a western German state."

The other members of the body, which consists chiefly of conservative Christian Social Unionists and left-wing Social Democrats, shouted back, "no, no."

Some of these leaders said privately the resolution was the result of press reports that some members of the council have participated in drafting a projected constitution for a western German state.

Caused Change In Approach

They said the possibility that the Communists would make an appeal to nationalistic German feeling for unity had caused a change in approach. They say now that they favor developing present bizonal institutions to improve administration and aid recovery.

Both the British and American military governments strengthened their controls along the 700 miles of Soviet zonal border in expectation of an increased flood of Germans seeking to leave the Soviet zone as the result of the London East-West split.

British officials said their frontier police guards had been increased and officials along the zonal border advised to make preparations to receive increased numbers of border crossers.

American officials said their border control also has been tightened until there is a police station every 1½ miles.

Soviet border guards also were reported to have increased their vigilance.

Farben Defense Charges Capitalism Is on Trial

NUERNBERG, Dec. 18 (AP).—Defense counsel for twenty-three former I. G. Farben officials declared today in opening arguments that the trial of industrialists constitutes an attack against German capitalism "over which the Communists are rightly pleased."

Disputing the American prosecution's contention that the defendants are being held responsible on a personal basis rather than as symbols of German industry, Dr. Walter Siemers emphasized "dangers for German economy."

"The attack affects not only the big industrialists, but also in the same way thousands of middle and small industrialists, thousands of employees, foremen and workers," said Dr. Siemers, who represents one of the main defendants, Georg von Schnitzler.

"The industrialists, regardless of their National Socialist (Nazi) attitude, are accused. That is pure anti-capitalism over which the Communists are rightly pleased and is the same as the frequent attacks by Hitler against industry."

Would Buy U.S. Army Surplus

Frankfurt, Germany, Dec. 18 (AP). The German Bizonal Economics Council today authorized its steering committee to start negotiations for a $236,000,000 contract to buy surplus United States Army material.

War Material Makers Are Sentenced

Berlin, Dec. 18 (AP)—A United States military court sentenced six officials of the Berlin Askana works to prison terms today and ordered the firm dissolved and confiscated.

The men were accused of manufacturing and storing war materials in the American sector of Berlin, specifically kino theodolites used for studying trajectory and velocity of flying objects such as rocket missiles.

Testimony showed that the Russians obtained a number of kino theodolites and that both United States and French authorities attempted to get them for research. A large number of aircraft instruments were found stored in the plant.

Count Rudolf von Westarp, managing director, was sentenced to four years. Engineers Bernhardt Giese and Karl Luedke and Assistant Manager Heinz Hampel received two years each in prison. A two-year term meted to Guido Weunsch, head engineer, was suspended because of his advanced age and poor health. Salesman Willi Asheuer received a one-year suspended sentence.

6 GERMANS GUILTY IN WAR GOODS CASE

DEC 1947

Berlin, Dec. 18 (A. P.).—Six officials of the Berlin Askania Works were convicted by an American Military Government Court today of manufacturing and storing war materials in the United States sector of the city, in violation of Allied Control Council laws. It was the first trial of its kind in post-war Germany.

The defendants, headed by Count Rudolf von Westarp, the company's managing director, were charged with producing kino theodolites, which were described by experts as instruments for studying the trajectory and velocity of flying objects such as rocket missiles.

The sentences were not immediately announced.

Uranium Discovery In Russ Zone Reported

Berlin, Dec. 18 (AP)—The American-licensed newspaper *Der Abend* said today the Russians had made a rich new discovery of uranium in Saxony, where they have been operating several mines for many months with thousands of German workers.

The newspaper said the find was made near the town of Freithalburg and that "it was believed the new mine would be richer than those already in operation."

"A draft of more miners already is in full swing," it said.

CATHOLIC CHARGE SIFTED

U. S. Deputy Chief in Germany Replies on Youth's Disappearing

BERLIN, Dec. 18 (AP)—Maj. Gen. George P. Hays, Deputy United States Military Governor for Germany, said today an investigation was being madt in the United States occupation zone of Catholic Bishops' allegations that 2,000 youths have disappeared in Germany since the war. General Hays so advised Josef Cardinal Frings of the Fulda Bishops Conference in a letter.

The Russians efused on Mornday to discuss the matter in the Allied Control Council's coordinating committee.

Casman Heads A. M. G. Court.

Berlin, Dec. 18 (A. P.).—Meyer L. Casman of Philadelphia was appointed today presiding judge of the American Military Government Court for Civil Actions, whose headquarters is at Stuttgart.

Yugoslav Shop Curb

Belgrade, Yugoslavia, Dec. 18 (AP). Hundreds of privately owned shops throughout Yugoslavia were threatened with extinction today by a new Government order requiring them to pay up back taxes.

The order, a brief official notification which almost went unnoticed on the inside pages of Yugoslav newspapers, requires that income taxes for 1945, 1946 and 1947 must be paid in full before any additional purchases of supplies will be permitted. Merchants purchase their supplies from Government-operated stores and warehouses.

A Government spokesman explained that the order was not actually aimed at closing private shops.

Could Work In State Stores

He described it as a legal measure designed to enforce lagging income-tax collections. The spokesman added that Yugoslavs can get everything they need from Government-owned shops and that in most cases, private owners could get jobs in the state stores.

Although the printed order applied only to private owners, the Minister of Finance said it affected all national and state commercial enterprises as well.

It seemed likely that the only private shops left in Yugoslavia soon would be second-hand stores whose windows are increasingly crowded with pawned valuables of citizens who once were wealthy.

Taxes Exceed Incomes

Under existing circumstances the new order will sound the ultimate death knell to hundreds of small, privately owned food shops, liquor stores, clothing and textile shops and restaurants. In numerous cases checked today it was found that the taxes exceed the net incomes.

Adding to their perplexities, the new order also restricts the making of further investments and the borrowing of money.

Most merchants questioned said they had been able to pay the 1945 taxes but that the 1946 assessments based on their earning capacity were doubled. In many cases the rates for 1947 were tripled, they said, and in some instances quadrupled.

The final result may be that the Yugoslav commercial field soon will be left open to Government-owned establishments.

Former Nazi Pilot Testifies He Flew Hitler To Denmark

DEC 1947

Warsaw, Dec. 18 (AP)—Capt. Peter Baumgart, 32-year-old former German air force pilot, told a district court yesterday that he flew Adolph Hitler to Denmark shortly before the fall of Berlin.

The 6-foot flyer claimed that Hitler was accompanied on the flight by General Roemer and his wife and a woman whom he believed was Eva Braun. Baumgart said the party boarded an airplane at Hohenzollerndamm on April 28, 1945, and that he landed them in Denmark about 40 miles from the Either River.

Upon landing, the flyer said, Hitler shook hands with him and gave him a check for 20,000 marks drawn on a Berlin bank. Baumgart said he immediately was ordered to fly back to Berlin.

Thought They Took Submarine

After that, he said he did not know about Hitler and his party, but he said he thought they had boarded a submarine.

Baumgart was returned to Warsaw from the British zone in Germany and is on trial on a charge of having been an SS member. Still wearing parts of a German flyer's uniform, he told the court he never had belonged to the SS. The court then reserved decision until January 27 pending investigation on Baumgart's claim that another German of the same name was implicated in the trial of 40 SS officers who were accused of mass murder at the Oswiecim (Auschwitz) concentration camp.

Claims 128 Allied Planes

Baumgart, who claimed to have shot down 128 Allied planes in combat over Crete, Italy, North Africa and the Eastern Front, was quoted by the Warsaw evening newspaper, *Wieczor*, two weeks ago as saying that Hitler and Miss Braun had fled to the United States two days before Berlin fell.

He was quoted in similar fashion by the same paper last October but he did not say at that time that Hitler and Miss Braun had boarded a submarine.

Baumgart told the court today he was born in Southwest Africa and had given up his citizenship for German in 1935.

Czechoslovak Budget Approved

Prague, Dec. 18 (AP)—The Czechoslovak Government has approved a national budget for 1948 which provides for an increase in the national debt to 121,000,000,000 crowns ($2,420,000,000). The nation's total income for 1948 is estimated at 55,154,575,000 crowns ($1,103,091,500) and expenditures at 68,981,910,000 crowns ($1,379,638,200).

U.S. Failed, Not Big 4, Pravda Tells Russ

DEC 1947

Moscow, Dec. 18 (AP)—The Russian people were told by *Pravda* today that the four-power Council of Foreign Ministers in London did not fail, but rather it was the plans of the United States State Department that failed.

A Tass dispatch from London published in the Communist organ said "there is no doubt but what the State Department contemplated using the London session to cloak the American policy of establishing an imperialistic peace with the authority of the Council of Foreign Ministers and the colonial policy of the occupational authorities."

Pravda said that when Secretary of State George Marshall found out that there was no chance of using the Council for this purpose he "applied aggressive tactics to hamper the conference.'

The dispatch asserted that the "bourgeois" press distorted the real state of affairs.

"The entire course of the conference; especially its last phases, clearly show that the Council of Foreign Ministers session did not fail, but the schemes of the United States delegation relying on the obedience of Britain and France failed with a crash," *Pravda* declared. "It was not the CFM that failed but those who tried to dictate the sessions to the Council that suffered defeat."

OUSTED RUSSIANS ASK MOLOTOV'S AID

Moscow, Dec. 18 (A. P.).—Twenty-four Soviet nationals who were expelled from France recently have asked Foreign Minister V. M. Molotov, from a camp in the Russian zone of Germany, to intervene in their behalf.

The group told Molotov in a letter written in Brandenburg on December 8 that their expulsion from France was in complete violation of French law governing the residence of foreigners.

The Russians, arrested by French authorities on November 25 and taken to the border of the Russian zone, were accused of intervening in French affairs.

In the letter, the Soviet nationals stated categorically they had taken no part in French political affairs, except for wartime participation by several of them in the French underground movement. These former Partisans, the letter said, were decorated by the French for their part in the fight against the Axis.

The Russians told their Foreign Minister they were arbitrarily seized by French authorities, without even being allowed to say good-by to their families. They said they were subjected to questioning before being taken out of France. They asked Molotov to assist them in getting their families out of France.

The Russian group repeated a statement, previously made in an official Soviet note to the French Government, that in some cases those arrested had been fettered and otherwise maltreated.

Moscow Oblast's Elk, Boars Increase

Moscow, Dec. 18 (AP)—Wild boars and elk are multiplying in the forests of the Moscow oblast as they did 800 years ago.

A census for 1943-1944 showed the oblast had about 1,500 elk. Last year the number reached about 2,000.

The boars are increasing. They were brought here a number of years ago from the south.

Warning On Lull In Palestine

Jerusalem, Dec. 18 (AP)—The violence of Arab-Jewish strife waned further in the Holy Land today but Arab leaders said "it is a lull that may end at any moment."

Arabs guarding Jerusalem's Jaffa Gate to the "old city" captured and "executed" a 30-year-old Jew who tried to slip through the Arab quarter to reinforce Jews garrisoning the Hebrew quarter. Police said the captive was taken to an Arab office near the gate and that his body was found a short time later near St. Stephens Gate, named for the place where Stephen was stoned by the Jews nearly 2,000 years ago.

A short time later a 16-year-old Arab boy was fatally shot near St. Stephens Gate.

Arab Fires On Bus

An Arab dressed in police uniform also fired four shots at an Hagana-escorted Jewish bus leaving the old city after taking supplies to the beleaguered Jewish quarter.

A Spanish priest, wounded while watching rioting in Haifa five days ago, died.

Near the Jaffa-Tel Aviv borderland a 10-year-old Jewish girl was struck in the leg by a bullet.

These were the principal incidents today which brought the Associated Press count of dead in Palestine to 266 since the United Nations vote on November 29 for Palestine's partition.

Infiltration Expected

It was Dr. Hussein el Khalidi, Arab Higher Executive secretary, who described this calmest day since the United Nations vote as a "lull that may end at any moment."

He ascribed the quiet to the "natural course of passions of the people."

Reports from neighboring Arab Syria said the "Peoples Army" of about 2,000 men recruited by Fawzi Bey al Kaukji may begin the "infiltration of Palestine from Syria within a fortnight."

It was presumed they would move into the Palestine hills and conduct guerrilla operations. The Syrian Parliament went into session at Damascus and observers there said it might discuss methods of facilitating movements across the Palestine border in both directions.

2,000 Families Evacuated

Some 2,000 Palestine Arab families were reported housed in temporary camps just inside the Lebanese border after having evacuated a "danger zone" close to Jewish areas.

Damascus newspapers said the Syrian Government had purchased twenty fighter planes, and that both Pakistan and India, the two new dominions, were prepared to export arms to Syria.

Riad Bey es Solh, Lebanese Premier, and Haj Amin el Husseini, exiled Mufti of Jerusalem, flew to Lebanon from Cairo where the Arab League last night issued a cryptic communique announcing their intention to "join the battle" to prevent Palestine's partition.

Damascus dispatches said communism had been dealt a blow there by Government dissolution of the Communist party, the closing of its cultural centers and the banning of the Communist newspaper printed in Beirut. The U.S.S.R.-Syrian Cultural Association was said to have dissolved itself as a protest against Russia's support of partition.

DEC 1947

Jew Slain, Arab Boy Is Killed In Jerusalem

Jerusalem, Dec. 18 (AP)—Arabs cordoning Jerusalem's Jaffa gate today captured and killed a 30-year-old Jew who tried to slip through the Arab quarter to reinforce Jews garrisoning the old city's Hebrew quarter.

Police said the Jew's bullet-riddled body was found near St. Stephen's gate several hours after his capture. A short time later a 16-year-old Arab boy was shot to death in the same area by assailants officially listed as "unknowns."

These deaths brought to 266 the toll of fatalities in the Holy Land since Jewish-Arab strife broke out there seventeen days ago following the United Nations decision to partition Palestine.

Spanish Priest Dies.

The police earlier had reported the death of a Spanish priest who was wounded on December 13 while watching rioting in Haifa from a rooftop.

A Jewish Agency spokesman today denied rumors that Hagana, the Jewish defense force, had entered into any negotiations with the extremist underground organizations, Irgun Zvai Leumi and the Stern Gang, with a view toward possible joint action.

Dr. Arieh Altman, president of the Zionist Revisionist party, made a similar statement at a news conference. Altman said all offers from the extremist groups seeking cooperation had been rejected by both the Jewish Agency and Hagana.

Altman demanded that preparations for Palestine Jewry's forthcoming elections be speeded up and called for an immediate broadening of Jewish political leadership.

Arab Declaration

A new Arab threat to wage a war to the finish against the partition plan darkened the shadows over Palestine on the eve of the Christmas season.

The Arab League proclaimed in Cairo last night, at the close of a long conference of leaders of the seven Arab states, its intention to fight to the end against the decision to split the Holy Land into separate Arab and Jewish states.

"As passions and selfish interests have prevailed in the United Nations and closed the doors of right and justice in the face of the Arabs," the proclamation said, "they are determined to enter the battle into which they are forced and will carry it to its victorious end by the will of God."

Most Of Dead Were Jews

The death toll for the entire Middle East since the partition vote on November 29 stood at 386. Palestine's death list included 132 Jews, 122 Arabs, 8 Britons and 4 others.

The end of the Cairo meeting—attended by officials from Egypt, Iraq, Lebanon, Saudi Arabia, Syria, Trans-Jordan and Yemen—was followed by a declaration from Nuri el Said Pasha, chief member of the Iraq delegation to the United Nations, assailing the United States and Russia for their support of partition.

He accused the United States of violating a pledge not to bring pressure on other nations to support partition.

"The highest American officials used pressures and threats by telephone calls and cables to the presidents of the American republics and European countries in need of American money, food or weapons," he declared. "We (the Arabs) were not fighting Zionism, but a great power with enormous resources of which the world was in great need."

"Russia's aim in supporting partition," he added, "was to spread disorder, and Russia will continue to exploit the situation for that purpose."

No Religious Tourists

At Nazareth, whence the Virgin Mary set out for Bethlehem at about this time of year nearly twenty centuries ago to give birth to her son, 14,000 Christian Arabs usually wait for the annual flood of Christmas tourists—who will not be coming this year.

Palestine Gift Sent To Bethlehem, Pa.

Bethlehem, Palestine, Dec. 18 (A. P.).—Issa Effendi Bandak, Mayor of Bethlehem, has sent a full-grown olive tree to the city of Bethlehem, Pa., as a Christmas present. The tree, flown out of the Holy Land last night in a Trans World Airlines plane, is due to arrive in New York tomorrow.

DEC 1947

Moslems Call Up Volunteers For Palestine

Cairo, Dec. 18 (AP)—The Moslem Brotherhood Association summoned volunteers for service in Palestine to a meeting to receive "important instructions" today prior to their scheduled departure for the Holy Land on December 21.

The association said a full list of the volunteers—who have enrolled for service in the fight to prevent partition of Palestine—would be issued before they left.

Demonstrations against the United Nations partition plan continued on a small scale meanwhile as a crowd of some 150 students parade the streets shouting "revolution" and "we'll save Palestine with our blood."

They were dispersed by two club-waving policemen, at whom the departing students hurled a few stones.

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Cairo, Dec. 18 (AP)—Arab sources said tonight representatives of seven Arab League states who held a "war council" here decided to raise an $8,000,000 fund for purchasing weapons and medical equipment for Arabs volunteering to fight the partition of Palestine.

Bedouins Tie Up U.S. Pipeline

DEC 1947

By Tony Smith

Sidon, Lebanon, Dec. 18 [Via Cable—AP]—Work on the strategic trans-Arabian pipeline project is at a complete standstill throughout the Middle East except in Saudi Arabia.

This is the project which Secretary of Defense Forrestal has called vital to United States interests.

The project, known as "Tapline," runs from Abquaiq on the Persian Gulf to the shores of the Mediterranean.

Bedouin Tempers Boiling

In an aerial survey, with landings at every American outpost, I found that the work stoppage is virtually complete.

Bedouin tempers in the wild Tapling country of Trans-Jordan and Syria are still boiling with resentment against the United States' part in the United Nations' partition of Palestine.

It is unsafe for American crews anywhere in the desert outside of Saudi Arabian King Ibn Saud's jurisdiction.

American work teams at this end of the project have been called in and work suspended.

A checkup at the Rasma Shaab staging base in Saudi Arabia, 200 miles north of Dhahran, revealed that the thousand Arabs there still are friendly toward the community's 350 Americans.

More Outspoken

But they are becoming more outspoken in their criticism of America's part in the Palestine partition.

At Duwaid, an isolated fueling camp 500 miles west of Mashaab, seven Americans are surrounded by 500 Bedouins but appear to be getting on all right.

We flew low over a petroleum survey party 140 miles farther west but still in Saudi Arabian territory. The rugged terrain prevented a landing, but, dropping down for a closeup, we were satisfied that everything was okay.

That was the last Tapline activity we saw. For hundreds of miles on the route through Trans-Jordan's rocky, hilly country we were unable to spot any Americans.

It was the same in Syria and Lebanon, where the Bedouins are distinctly hostile now toward all Americans.

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Syria Announces Ban On Communists

Damascus, Syria, Dec. 18 (AP)—Syria outlawed the Communist party today and ordered the closing of all its clubs and headquarters.

At the same time, the Russian-Syrian Cultural Association disbanded in protest against Russia's vote in the United Nations for the partition of Palestine.

Meanwhile, the Home Affairs Ministry warned newsmen against too detailed reporting of volunteer training and other Arab military preparations in connection with Palestine.

Strike Truce Voted in India

NEW DELHI, Dec. 18 (AP).—A resolution calling for a three-year truce in India's industrial strife was adopted by representatives of labor and capital at an industries conference today.

140 Dead Laid To China Rice Price Jump

Rosenwicke

Shanghai, Dec. 18 (AP)—More than 140 unidentified corpses of the poor—131 of them children—were picked up from Shanghai's streets in the past 48 hours as the price of rice shot up to a new inflationary peak.

Rice merchants called on Mayor K. C. Wu to seek measures to bring the price of the food staple below its current million-dollar mark (in Chinese currency) for a 133-pound picul.

Some Food Abundant

One newspaper displayed the story of their conference beside a brief item reporting the collecting of the 140-odd corpses. Officials of benevolent institutions said the large proportion of children's bodies indicated growing despair among the poor. If rice continues beyond reach of lower-class workers, observers said, the outlook will be hopeless for thousands.

Shanghai is a city of violent contrasts. Food is abundant in the better restaurants, with hollow-eyed stragglers picking over their garbage. Outside, black-market millionaires rub shoulders with 200,000 miserably poor refugees from war areas, who throng the streets begging for enough food to preserve life for one more day.

Speculation Blamed

Speculation was believed behind the latest rice price boosts. In another move to check speculation the Government withdrew a large measure of banking credit from the market and issued a decree suspending the business of 195 money-exchange firms.

As both national and foreign banks called in credits in an effort to tighten the market, the number of dishonored checks soared. On Monday, more than 47 billion Chinese dollars worth bounced; next day, that figure doubled.

Two Japs to Die As Nanking Slayers

Nanking, Dec. 18 (A. P.).—Two former Japanese officers were sentenced to death by a military court today for the slaying of 150 Chinese in a "murder contest" during the rape of Nanking early in the Chinese-Japanese war. Evidence against the pair included clippings from Tokyo newspapers giving eyewitness accounts of their "heroism."

Chinese Hail Aid Proposal, Fear Delays

Nanking, Dec. 18 (AP)—Chinese Government sources expressed pleasure today over Lieut. Gen. Albert C. Wedemeyer's recommendation for immediate assistance to this republic—but it was tempered by declarations that military aid will be too late unless it comes at once.

High officials made no attempt to hide the Government's growing weakness in the face of mushrooming Communist armed strength.

There was concern over the failure of national armies to oust a trio of Red generals from the great Central China area between the Yangtze and Yellow rivers.

Forces of the three—Liu Po-cheng, Chen Yi and Chen Keng—appear stronger today than when they drove southward some weeks ago in a successful attempt to divirt Government troops from a cleanup of the Shantung Peninsula.

Chinese officials who declined to be quoted by name said General Wedemeyer's recommendation for economic and military assistance is "most significant" because his secreat report to President Truman is expected to form the basis of United States policy toward China.

Life In Japan

DEC 1947

Exam Leak Exposed

Tokyo, Dec. 18 (AP)—After 60 of 61 prospective students passed the entrance examination of the Japan Dental Association, its chief and four other officers were jailed today on charges of selling answers to the test questions.

Police said Seihi Kato, 63-year-old head of the association and acting president of Japan Dental University, had obtained the students' promise to donate 10,000 yen apiece ($200) to the University if they passed. The Welfare Ministry cancelled the test scores.

Rice Sprouts In Eye

Tokyo, Dec. 18 (AP)—Farmer Yoshinori Yokowo, of near-by Okayama, went to a doctor to have an unhulled grain of rice removed from his eye.

The doctor took a long look—and then removed a growing rice shoot.

Nice Promises Questioned

Tokyo, Dec. 18 (AP)—Democracy in Japan:

The newspaper *Asahi* noted today that new Agriculture Minister Kanae Hatano is promising improvement in the food and fuel situation—but it recalled the Commerce Minister also had pledged more coal; the former Agriculture Minister, more food; the Economic Stabilization Director, lower prices, and the Premier, "a bright future."

And "we know what these nice speeches have brought us," the paper concluded.

"Terror" Lectures Crooks

Tokyo, Dec. 18 (AP)—Matsukichi Tsumaki, Tokyo's terror of the late '20's, was paroled today from a lifetime sentence for robbery, and offered this advice to crooks.

Play with the victims' crying babies as you prowl.

"When a baby cried in a home I was robbing, I went away leaving the place untouched after I had played with the child," said Tsumaki, who served 19 years before being paroled for heroism in a prison fire. He expressed disgust for the new generation of robbers.

"I was sickened as I saw the young merciless brutes who were brought to prison," he said.

Police said he used to lecture his own victims on what fools they were to leave their doors unlocked.

Togo Admits Delay In Delivering Message

Tokyo, Dec. 18 (AP)—Shigenori Togo, former foreign minister, admitted at his war-crime trial today that he did not tell the Emperor that an exchange of personal messages between Hirohito and the late President Roosevelt had been suggested as a final effort to keep the peace in the Pacific.

Togo acknowledged that he had an opportunity to inform the Emperor and Japan's senior statesmen who gathered November 29, 1941, in "a last-minute hope of ayerting war." The message exchange was suggested by Japanese envoys in Washington.

The disclosure was made during a heated exchange between Togo and Attorney William Logan, of New York city, counsel for another defendant—Marquis Koichi Kido, former lord keeper of the Privy Seal.

Logan was cross-examining Togo about the delay in the delivery of Roosevelt's eleventh-hour message to the Emperor. Logan reminded Togo of a prosecution charge that "there was a little gathering of the boys at the Palace, awaiting word of the Pearl Harbor attack when you delivered Roosevelt's message."

Five Russian Sailors Rescued

Tokyo, Dec. 18 (AP)—Five crew members of a 27-ton Russian boat which had been drifting fifteen days in the Japan Sea were rescued by Japanese police, Ashai reported today in a brief dispatch from Mikuni on the seacoast of central Honshu.

Jap Goods 'Disappear'

Tokyo, Dec. 18 (AP)—The Japanese Demobilization Board reported today that more than one billion yen ($20,000,000) worth of navy goods is believed hoarded throughout Japan. The board, successor to the Navy Ministry, said large quantities of equipment and clothing disappeared in private deals.

Army Dismisses N. Y. Captain

YOKOHAMA, Dec. 18 (AP).—The United States 8th Army announced today a court martial had sentenced Captain Malcolm C. Mansfield, of Leeds, N. Y., to be dismissed from the service for appropriating government rations to his own use without a payment. Mansfield formerly was the 8th Army club officer.

Argentine Calls Special Session.

Buenos Aires, Dec. 18 (A. P.).—A special session of the Argentine Congress has been called for December 27, to approve foreign service and judiciary appointments and military promotions. It was believed that the session might consider ratification of the Rio de Janeiro accords.

Panama May Reject U. S. Plea for Bases

Panama, Dec. 18 (A. P.).—Rejection by the National Assembly of an agreement to lease the United States fourteen Panama Canal defense sites was regarded as a virtual certainty today, despite a presidential plea that it be ratified because a clash between democracy and Communism "is imminent."

Canada, Britain Sign New Trade Agreement

Ottawa, Dec. 18 (AP)—Prime Minister Mackenzie King today announced conclusion of a new short-term trade agreement with Britain which requires the British to pay much more in cash for purchases from Canada and to draw much less heavily on credits.

The arrangement provides for continuance of the wheat contract under which Britain purchases from Canada much under the world market price and continuance and renewal of contracts for livestock products at prices adjusted accordingly, King said.

In view of recent upward adjustment of contract wheat price from $1.55 to $2 per bushel for the coming year, his statement was taken to mean that prices of foods like bacon, beef cheese, milk, eggs be somewhat 'proportionately upgraded in addition to the requirement of greater proportion of payment in cash.

COMMITTEE ASKS FUNDS FOR CHINA

Senate Group Recommends $570,000,000 in Stop-gap Aid.

WASHINGTON, Dec. 18—(AP) The Senate Appropriations Committee recommended tonight that congress vote $570,000,000, including $20 000,000 for China, for emergency foreign aid.

Working until late into the night, the committee voted to recommend to the senate tomorrow that it approve appropriations $61,000,000 larger than those approved earlier this week by the house.

China Not In House Bill

The $20,000,000 for China was not in the house bill.

In addition the committee recommended an appropriation of $490,000,000 for government costs and relief in occupied Germany, Japan and Korea.

This figure was the amount asked by the army, and represents an increase of $260,000,000 over the $230,000,000 approved by the house

Chairman Bridges (R-NH) told newsmen the bill, which carries a grand total of $1,091,246,500, or $318,-520,000 more than was voted by the house late yesterday, was approved unanimously.

The newly recommended amount for foreign aid is $27,000,000 under the $597,000,000 authorized by congress earlier in the present special session for stop-gap relief to France Italy and Austria.

Before the money actually becomes available, agreement between house and senate versions will have to be reached. This will have to be done hastily since congress plans to adjourn tomorrow.

The authorization bill already signed by President Truman permits the Reconstruction Finance Corporation, however, to advance $150,000,000 to get the stopgap aid program rolling.

Truman's Message Awaited

Senate committee deliberations came as both houses awaited with great interest President Truman's message outlining the four-year program he wants Congress to approve early next year for helping the economic recovery of 16 western European countries.

Indications were that the 9,000-word message, reliably reported to envision a total expenditure of $17,000,000,000 by the U. S., would be read to Congress shortly after noon tomorrow.

Secretary of State Marshall, who originated the program on the promise that this country should help European countries which undertake to help themselves, left London in the President's plane, the "Sacred Cow," at 5:10 p.m., (12:10 EST) today.

Marshall Arrives Today

Marshall, who has been attending the fruitless Counil of Foreign Ministers meeting, is scheduled to arrive in Washington around 9 a. m., EST, tomorrow. Mr. Truman plans to meet him at the National airport. The secretary is scheduled to broadcast a report on the London conference at 10 p.m., EST, tomorrow (CBS, ABC, Mutual).

While Congress is in recess until January 6, Marshall undoubtedly will take a leading role in the administration's campaign to "sell" the European recovery program, commonly known as the Marshall Plan, to the public.

It was taken for granted in official circles that Marshall would describe U. S. aid to Europe as all the more necessary in the light of the London failure to reach agreement with Russia on the future of Germany.

Some members of Congress have flatly opposed in advance any further U. S. assistance, other have said they will consider only limited help and still others favor aid on a year-to-year basis rather than a four-year commitment.

Just how sentiment was divided, and how many members were prepared to go along with the full Truman-Marshall proposals or a large share of them, was an open question on the eve of the program's formal presentation.

Lewis W. Douglas, U. S. ambassador to Britain, was travelling to Washington with Marshall. Douglas has been mentioned repeatedly as a likely choice for "roving ambassador" to supervise the administration of any aid program that is adopted.

$1,200,000,000 Held Reich Occupation Cost

DEC 1947

Washington, Dec. 18 (AP)—Under Secretary of the Army William Draper today estimated that the United States will spend around $1,200,000,000 in occupying Germany for fourteen months.

Draper made this estimate in explaining how the new financial agreements with Britain on German occupation expenses will increase American dollar contributions.

Under the accord, the United States agrees to take over about $400,000,000 of Britain's occupation expense for the fourteen-month period beginning last November 1.

In exchange, Britain surrenders to the United States a dominant voice in deciding the policies of two key British-American economic agencies in the combined zones.

Congress Must Vote Fund

To carry out the agreement, the State Department must go to Congress for funds, with the possibility that the amount asked might encounter opposition there.

The text of the agreement, signed yesterday after ten weeks of discussion, was made public at the news conference attended by Draper, Assistant Secretary of State Willard Thorp and Sir William Strang, top British negotiator.

Draper said he estimates that the United States will have to pay about $700,000,000 to $800,000,000 for food imports into Germany and from $500,000,000 to $600,000,000 for American occupation troops and to meet other expenses.

Thorp, who led the American conferees, said this means the United States will pay for 90 per cent of the essential supplies imported into Germany.

British Average 25 P.C.

Instead of paying for 50 per cent as it did previously, Britain must pay for only ten per cent of these imports under the new agreement.

Thorp said, however, that Britain's total contribution will average 25 per cent if expenses in maintaining occupation troops are taken into account.

Thorp insisted that the new arrangement "does not change the fundamental partnership with the British in Germany."

Despite the added economic control by the United States, Thorp said:

"We feel it very important that the British function as full partners."

Among Britain's new obligations is the promise to pay for $22,200,-000 in fish required by the Germans during 1948.

Reich War Plant Bill Passes

Washington, Dec. 18 (AP)—The House voted unanimously today to ask the State Department and the Army for a full explanation of their policies on dismantling war plants in Germany.

Representative Francis Case (R., S.D.) sponsored the resolution which was approved on a voice vote after twenty minutes' discussion with no opposition. Case said he expects the net result of the move "will be to stop this country from shipping further dismantled plants to the Soviet Union."

Information Sought

Specifically, the resolution asks:

1. Has the Government tried to delay further dismantling temporarily until the entire subject can be studied by Congress?

2. How many plants remaining to be dismantled could be converted to peacetime production?

3. How many of the plants could make "a stubstantial contribution" to a German export trade in order to reduce food imports into Germany?

4. How have German plants been determined to be surplus and eligible for dismantling?

5. How much goods has the United States had to ship to replace the production of plants already dismantled and removed?

Senate approval of the request is not required, since it is a House resolution of inquiry.

Sees Russian Gains

Case told the House 682 German industrial plants have been announced as surplus and available for reparations.

It appears, he said, that removal of some might impair the ability of Germany to recover economically, "and might aid the economies of countries not now co-operating toward world recovery."

"If this program goes on," Case added, "it is indicated that Russia will have gained access to 55 per cent of the industrial potential of old Germany. Russia has put into her economy, or into the economy of the satellite countries, approximately 30 per cent of the industrial potential of old Germany already.

"This is independent of the question involved in dismantling within remnants of Germany now occupied by the four powers, Russia, Great Britain, France and the United States."

Approved By Committee

Approving the resolution for House consideration, the Foreign Affairs Committee had said "information on plant removals in the Russian zone since the end of hostilities and on projected plant removals is unavailable."

Information from the French and British zones has been delayed, the committee added.

TRUMAN OPPOSES IMMEDIATE SLASH IN INCOME TAXES

DEC 1947

Takes Stand After Knutson Presents 'Veto Proof' Bill to Cut Levies.

PLANS NEW MESSAGE

Says He Will Answer Question on 1948 Reduction in Talk to Congress.

WASHINGTON, Dec. 18—(AP) President Truman spoke out today against any immediate cut in taxes shortly after Rep. Knutson (R-Minn) introduced what he described as a "veto proof" bill to scale down the individual income tax burden by $5,600,000,000.

The President took his stand at a news conference when a reporter called to his attention recurrent reports that the federal budget will develop a $7,000,000,000 surplus in the current fiscal year, half again as much as Mr. Truman's latest estimate. What effect would such a surplus have on his tax views, the reporter inquired.

The President said he does not believe such a surplus would justify a tax reduction.

Message to Give Answer

He declined, however, to say definitely whether he would oppose a tax cut next year. That question will be answered, he said, when he delivers his message to congress next month on the state of the union.

Mr. Truman's latest estimate is that the surplus at the end of the present fiscal year, next June 30, will be $4,667,000,000. He is expected to revise the figure upward next month, however.

Knuteon, chairman of the house ways and means committee which originates all revenue legislation, proposed tax cuts for all the 54,500,-000 taxpayers, ranging from 10 percent in the highest brackets to 100 percent in the lowest income group.

Despite his contention that the bill is veto proof, there were immediate predictions from some of his colleagues that a presidential veto awaits it if congress should send it to the White House in its present form.

It would remove 7,400,000 low income and elderly persons from the tax rolls completely, apply generally the community property principle of tax reporting, and, in addition, give cuts of 30 to 10 per cent across the board.

Sees Another Veto

Rep. Crawford (R-Mich) told reporters "it would be my guess it never will get past the White House." He said first attention should be given to building up the nation's military defenses.

Knutson, chairman of the Ways and Means Committee, said he ex-

30.24- 14325

pects the measure to be the first major business before congress when it reconvenes in January.

Rep. Gore (D-Tenn) commented, "under the circumstances we face, I don't see how any president could sign such a bill from the standpoint of justice or sound fiscal policy."

Chairman Edith Nourse Rogers (R-Mass) of the House Veterans Committee said "the figure is perhaps a little high. I would oppose any cuts in veterans or national defense appropriations to make room for tax cuts."

Republican members of the ways and means committee, which handles tax legislation, went over the bill just before it was introduced and were reported in general agreement on principles.

However, Speaker Martin (R-Mass) said Knutson was introducing "his own" bill—an indication that the Republican leadership has not yet taken a stand on the measure.

The bill would slash income taxes $1,600,000,000 more than the $4,000,000,000 GOP tax measure that President Truman twice killed by vetoes earlier this year. As the major reason for those vetoes, the president declared the tax cuts would contribute to inflation by making more money available to bid up the prices of scarce materials.

Provisions of Bill

Knutson's new bill proposes:

1. Increasing personal exemptions from $500 to $600, thus removing 6,000,000 low income persons from the tax rolls completely and providing some relief for all the rest.

2. General application of the community property principle to all states, allowing husbands and wives to split the family income equally for tax reporting purposes, regardless of whether the wife has a personal income. This device, which generally results in a tax saving, now applies in a dozen states by local law.

3. In addition, a 30 per cent reduction for taxpayers with incomes (after deductions and exemptions) that do not exceed $1,000; 20 to 30 per cent reductions for those with income between $1,000 and $1,396; a 20 per cent cut for persons with incomes between $1,396 and $4,000, and 10 per cent on the tax applicable to the remainder of their income.

4. An extra personal exemption of $600, bringing the total to $1,200, for persons 65 years of age and over. This would remove 1,400,000 elderly persons from the tax rolls completely.

5. Blind persons, now with a $500 extra exemption, would have this increased to $600.

6. Repeal of a provision of the 1942 revenue act that Knutson said discriminates against residents living in the community property states in the payment of estate and gift taxes. Details of this part of the bill are not yet completed.

Arguing that his bill is fair, Knutson said it would give 77 per cent of the total tax reduction to persons with taxable incomes under $4,000.

Under the measure a married couple with two children, now paying a $76 tax on a net income of $2,400, would pay no tax at all. If the income were $3,000 the tax would be reduced from $190 to $80, at $5,000 from $589 to $386; $7,000 from $1,045 to $708; $10,000, from $1,862 to $1,210.

Rep. Monroney (D-Okla) told reporters the bill would "make for more inflation and throw the government again into an unbalanced budget."

Rep. Doughton (D-NC) House tax manager when Democrats controlled Congress, said he is reserving comment on the measure until he finds what the expenses of the government will be in the next fiscal year and has a better idea of Treasury receipts.

PRESIDENT BACKS NO-SECRECY STAND OF CABINET AIDE

DEC 1947

Urges Full Publicity But Insists Congress Must Approve Move.

NOW UP TO HOUSE

Will Take Up Matter Today 'If We Can,' Martin Declares.

WASHINGTON, Dec. 18 (AP)—The Senate voted tonight to authorize Secretary of Agriculture Anderson to make public a list of big speculators in commodities, after Anderson had balked at giving it to a senate committee on its terms and President Truman backed him up.

A voice vote in the senate sent the authorization resolution to the house on the eve of the last day of the special session. Speaker Martin (R-Mass) said the house will consider it tomorrow "if we can."

In an unusual sort of contest between a cabinet officer and a congressional group, Anderson told the Senate Appropriations Committee he would not go along with its suggestion that he supply the list on a confidential basis, pending authorization by congress of full disclosure.

Truman Backs Anderson

President Truman thereupon issued a statement saying that Anderson had "properly rejected" the request and that, while there should be full publicity on the speculators, congress had no right to get the list "in secret."

The president took the position that existing law forbids disclosure of the names of traders, and that congress should pass legislation to permit the disclosure.

Anderson's department supervises the commodity markets, and the senate committee subpoenaed him and his records in its hunt for any government "insiders" who might be playing the markets.

In senate debate, Senator McMahon (D-Conn) asked whether the Republican majority on the committee wanted to "paw over" the list "so they could parcel out such names as they wanted to parcel out."

Chairman Bridges (R-NH) of the appropriations committee jumped up and shouted, "that is not a fair interpretation."

Says GOP Got Action

Senator Ferguson (R-Mich) said that Anderson, President Truman and Attorney General Clark all had "been talking" about gambling in grain but there was no action until Republicans "brought Mr. Pauley up here to testify about his speculations."

Edwin W. Pauley, former treasurer of the Democratic national committee and now a special assistant to the secretary of the army, told the senate appropriations committe last week that he had been a large "invester" in market futures but closed out most of them after taking his post and had used no confidential information.

"If there is any senator or any congressman dealing in these (commodities) then the public should know it," Ferguson told the Senate, after saying Anderson now had authority to disclose names.

Senator Hawkes (R.-N. J.) joined Barkley and Ferguson in demanding full publicity on names of many lawmakers or other government officials who have been playing the market.

Hawkes said it "is more important that those elected to office" be exposed than other government officials who might use their knowledge gained in government for speculative profits.

Congress should "take some action" permitting Anderson to disclose the list publicly, Mr. Truman told a news conference.

The conference topped a busy day in the search for commodity speculators—some of whom, according to Harold E. Stassen, are members of the government, engaged in deals for profit based on confidential, official information.

House Votes for Probe

The House voted for a broad investigation of commodity speculation.

In still another development, questionnaries were distributed to all Agriculture department employes except the lower paid ones, asking them to report by Dec. 23 whether they engaged in trading commodities since July 1, 1946.

The department employes were called on to state whether they have traded either in their own names, or in the names of a beneficiary partnership or trust.

The inquiry ordered by the house probably will be headed by Rep. August H. Andresen (R-Minn), who proposed it. It will deal with government activities in commodity markets and with individuals' actions "in connection with the purchase or sale of commodities."

There was a difference of opinion as to whether it would cover possible speculation by members of congress. Most members thought it was broad enough to cover anybody, but Rep. Combs (D-Tex) said that members of the legislative branch were not covered, although he said they should be.

Anderson did disclose to the senate committee that the justice department has been supplied a list of large traders and is checking on whether there are any government employes' name on it. Anderson was subpoenaed by the committee to appear and give names.

Chairman Bridges (R-NH) of the committee recalled that Anderson said in a Chicago speech October 9 that he could "name names" of speculators and that "some of them are public figures."

"Now is the time to name names," Bridges decreed.

Anderson stuck to his refusal, however, and commented that congress could get all the facts "by the simple route" of a resolution telling him to supply them.

3-POINT G.O.P. BILL TO CURB INFLATION PASSED BY SENATE

House Passage Is Expected Today Under Special Procedure.

DEC 1947

DEMOCRATS CRY 'GAG'

Protest No-Amendment Rule, Say Present Measure Is Ineffective.

WASHINGTON, Dec. 18—(AP) The Senate today approved a three-point Republican anti-inflation program by a vote of 77 to 10 and sent it posthaste to the House for action before the special session adjourns tomorrow.

In a final burst of speed against time and inflation threats, the Senate adopted the bill introdued by Sentor Taft (R-Ohio) which would:

Three-Point Plan

1. Authorize the President to consult with industry, business and agriculture representatives to encourage voluntary agreements designed to hold prices in line without actual price fixing. Such agreements, to remain in effect until March 1, 1949, and requiring presidential approval, could provide for allocation of transportation facilities, inventory controls, allocation of scarce commodities and regula- of speculative trading on the commodity exchanges. The agreement would be made under a temporary suspension of the anti-trust laws.

2. Extend export controls through Feb. 28, 1949.

3. Continue transportation controls through Feb. 28, 1949.

Democrats battled unsuccessfully for two days to write toughening amendments into the bill, but with few exceptions fell in line in support of it on the final vote after minority leader Barkley (Ky.) declared he found "more good than bad" in the measure.

Barkley noted that the bill as Taft introduced it contained two sections of the President's 10-point cost of living program—extension of export and transportation controls.

And the Kentuckian said the Democrats had been able to add two more of the less controversial points of the presidential program by way of amendments. These provided for (a) a food conservation program in this country, and (b) promotion of food and feed production in non-European countries.

House to Vote Today

Early tonight the House Rules committee cleared the bill for a House vote tomorrow under procedure virtually assuring its passage. The committe directed that the bill be considered as is and that no amendments be offered from the floor.

Under this procedure a majority vote can send the bill to President Truman, after two hours of debate. There was little doubt that the Republicans would muster a majority on the showdown.

Rep. Monroney (D-Okla) of the House Banking committee bitterly opposed the procedure and told the rules committee "it is unthinkable to have a super gag rule" on such important legislation.

Monroney contended the bill will have "no effect whatever on lowering prices" and said members should be allowed to offer amendments to strengthen it.

Rep. Brown (R-Ohio) of the rules committee replied that "if we open this too wide those who might give lip service to stopping the spiraling cost of living might just talk this bill to death and we won't have anything."

The procedure in the House tomorrow will be different from the one followed on a similar measure last Monday. The bill was beaten at that time because the procedure required a two-thirds vote.

Senate Republicans repulsed all Democratic efforts to amend the three-point GOP measure so as to give the President mandatory powers to enforce the voluntary industry-wide agreements which is the keystone of the Republican program.

Altering of Bill Balked

The Republican majority turned back a drive sparked by minority leader Barkley (D-Ky) to alter the Taft proposal. By a vote of 47 to 32 the Senate defeated his amendment proposing to give the president mandatory power to require the

parcelling out (allocation) of commodities in short supply.

In short order, another Barkley amendment in the same vein, but providing for a Congressional veto of the industrial agreements was voted down 48 to 35.

A third proposal by Barkley to eliminate from the GOP bill the section providing for industry to enter into voluntary allocation agreements with the approval of the President, was defeated on a 44 to 42 vote.

Adopted by voice vote was an amendment authorizing the Commodity Credit Corporation to promote the production of food and feed in non-European countries. It was offered by Barkley and Taft said he had no objection to it.

When Taft raised no objection the Senate agreed to another Barkley amendment authorizing an expenditure up to $1,000,000 for an educational drive to promote a food conservation program to be inaugurated by the President.

At the insistence of Senator Knowland (R-Calif.), Barkley changed the amendment to rule out the possibility that the President might institute rationing under its terms.

Senators Flanders (R-Vt.) and Baldwin (R-Conn.) then offered an amendment requesting the President, when there is any "critical shortage" of a cost of living item, to submit to Congress a detailed program to parcel out such items.

It was adopted by a voice vote after lengthy debate.

The amendment would require action by the Senate-House Economic committee within 15 days on the President's program.

Approve "Grey Market" Probe

Meanwhile the House gave unanimous approval to an investigation of "Grey market" operations to stamp out "conspiratorial practices which seriously undermine and threaten the national economy."

"Grey markets" which are not necessarily illegal, operate in a premium price basis in the fields of scarce commodities.

The resolution introduced by Rep. Macy (R-NY) authorizes the public works committee to undertake the probe and hold nationwide hearings, with the power of subpoena witnesses and records. It will deal especially with conditions which Rep. Brown (R-Ohio) told the House, jeopardize the nation's public works program and construction of new homes.

The Senate banking committee voted to hold hearings next month on a bill by Senator Capehart (R-Ind) to "freeze" prices temporarily at levels that prevailed last Saturday. However, this date might be changed in view of the committee's decision to defer action on the legislation until the regular session in January.

Chairman Tobey (R-NH) told reporters the committee will give "all interested parties" a chance to testify on the bill.

As drafted the measure would not affect prices for services, such as automobile repairs. But it does stipulate that no used car could be sold at more than the price of a new one of the same make.

In another development, Walter P. Reuther, president of the CIO-United Auto Workers, said that government and private industry are failing to halt inflation and that labor will "have no other recourse" than to ask for more pay in the next few months.

Reuther told a National Press Club luncheon that "labor does not want to play the role of a competing pressure group" but that it will "have to take the initiative on the only front opened to it—exerting its economic strength for wage increases."

"I pray God," he said, "that we will not have an economic Pearl Harbor before we wake up."

Truman Urged To Send 210,000 To Palestine

Washington, Dec. 12 (AP)—Two House members introduced identical resolutions today calling for transport to Palestine by October 1 of the 210,000 Jews in American displaced persons camps in Europe.

The resolutions by Representative Hugh D. Scott, Jr. (R., Pa.), and Representative Andrew L. Somers (D., N.Y.) call upon President Truman to "direct the proper authorities in the American zones of occupation to undertake immediately the program of repatriation of such Hebrew displaced persons."

They also would "authorize the employment of such facilities of the United States—including vessels and land transport facilities—as may be necessary to accomplish such repatriation as expeditiously as possible."

U.S. Must Keep Arms Prestige In Europe, Editors Declare

WASHINGTON, Dec. 18 — (AP) A group of newspaper and magazine executives returned from Europe today expressing belief that the United States must maintain its military prestige in areas jointly occupied with Russia even though actual command headquarters are transferred elsewhere.

They also told a news conference that the quality of United States troops on occupation duty in Germany, Austria, and Italy was much improved over a year ago—that now "they look like soldiers, act like soldiers."

The reference to maintaining military representation in joint areas with Russia arose out of the collapse of the London conference, and discussions among the United States, Britain and France looking toward establishment of a western German government.

Can't "Pull Out," They Say

The editors concluded that "we have got to stay in Berlin, Vienna and Trieste whether the actual headquarters are there or not." (There have been reports that General Lucis D. Clay, American commander, might transfer most of his work from headquarters at Berlin to Frankfurt, in the United States zone, but Clay has indicated there will be no formal removal of his headquarters from the four-power city of Berlin).

The newspaper and magazine executives had spent a month in Europe at the invitation of the army to study the occupation problem at first hand. They also visited France, and some of them England. Here are some of the thoughts they expressed at the news conference:

Philip Parrish, editor of The Portland Oregonian—The Germans naturally want a united Germany, but they see no hope for early economic stability in the present situation wherein Russia and western powers are in controversy over the policies controlling the two areas.

Earnest Kirschten, editorial writer of The St. Louis Post-Dispatch—In France, there is a general impression that the French government intends to use American dollars to import food, break the black market and thus force the farmer to bring his food into the legal market. "It is a daring gamble."

Herbert Brucker, editor Hartford, Conn., Courant—General Clay said that it might be necessary to keep occupation troops in Europe fifty years—but if the world became convinced of that, the job might be done in five.

NO 'BIG 3' MEETING AHEAD FOR TRUMAN

Washington, Dec. 18 (A. P.).—President Truman said today he has no intention of leaving the United States for another "Big Three" meeting, but would be glad to see Premier Stalin, if the Russian leader wants to come to Washington.

The President told a news conference he has not been in direct contact with Stalin recently.

Asked how he felt about prospects for continued world peace in view of the failure of the London conference, Mr. Truman said he is not downhearted and thinks eventually we will have world peace.

When a reporter asked whether there was any other place he would meet with Stalin and Prime Minister Attlee of Great Britain, Mr. Truman repeated 'I'd be glad to see him (Stalin) in Washington.

And, Mr. Truman added the word—period—to emphasize his insistence on not leaving the country.

Army Gives Lee Disability Pay On Retirement

Former Commander in Italy to Get $550 Monthly on Basis of Findings

WASHINGTON, Dec. 18 (AP).—The Army has issued orders for the retirement of Lieutenant General John C. H. Lee, former American commander in Italy, on grounds of physical disability, effective Dec. 31.

General Lee, whose administration in Italy was the subject of a series of critical newspaper columns by Robert Ruark, Scripps-Howard newspaper writer, several months ago, had applied for retirement before publication of the articles.

The printed directive granting General Lee's retirement requested appeared in routine Army orders today. Army spokesmen told a reporter he has appeared before Army medical and retiring boards and has been found unqualified physically for further active duty.

He has been a commissioned officer of the Army for thirty-eight years. For purposes of his final physical examination, he has been assigned as a patient at Letterman General Hospital, the Presidio, San Francisco.

The phrasing of the order, a standard form, said findings of the retiring board have "been approved by the President."

Following custom, the Army did not disclose the nature of General Lee's disability. The order said that the disability was incurred while he served in the rank of lieutenant general. Payment for a general of that rank retiring for physical disability is $550 a month.

Senators To Get Look At Japan Plan

Washington, Dec. 18 (AP)—The State Department plans to give the Senate Appropriations Committee a confidential look at a policy plan for Japan which some Congress members contend would reduce the Asiatic nation to an agricultural state.

Senator Knowland (R., Cal.), who disclosed this, said he believes the Senate should find out "who drafted this directive, whether Gen. Douglas MacArthur was consulted in advance about it and whether it remains a part of our policy in dealing with Japan."

State Department officials asked that the directive be kept secret until they have had a chance to ask other nations on the Far Eastern Commission whether they approve making it public. The commission fixes Allied nations' policy toward Japan.

Bridges Informed

The State Department, Knowland said, advised Chairman Bridges (R., N.H.) of the committee that the document has been withdrawn from the commission for further study.

It is reported to provide for breaking up the monopolies and family trusts which controlled most of Japanese industry before and during the war.

One senator said he felt that in effect it would be a "Morgenthau plan" for Japan.

This proposal by former Secretary of the Treasury Henry Morgenthau, Jr., would have deprived Germany of most of its industry, leaving it largely an agricultural nation.

60-Ton Stratojet Bomber Passes Initial Test

Moses Lake, Wash., Dec. 18 (AP)—The XB47 stratojet, described as potentially the world's most powerful plane, made its initial test hop yesterday—on the forty-fourth anniversary of the Wright Brothers' first flight at Kitty Hawk, N.C.

The 60-ton Boeing bomber, powered by six jet engines, was flown from Seattle to Moses Lake.

Describing the ship as a "very easy airplane to fly" after its 50-minute idling-along 145-mile flight, Pilot Robert Robbins, 31, said:

"We could take right off again now, as far as the plane is concerned."

Some Of The Claims

Here are some of the claims made for the new-type plane, one of five such jet engine bombers now being tested or about ready for tests in this country:

It should carry a ten-ton bomb load at 500 miles an hour, or faster. Because of its speed and ability to come back from missions fast, a crew of only three is needed.

It can travel so fast that refrigeration is provided around the crew compartment, to keep it cool from air friction and resulting heat at high speeds. The cabin is pressurized and temperature-controlled.

It is one of two such planes ordered by the Air Forces from Boeing and the concern has approximately $10,000,000 tied up in the work.

The plane, on its maiden flight, was throttled down and the highest speed was 280 miles an hour. Rob-

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bins and Co-Pilot Scott Osler, 29, said last night.

Mum On Future Tests

No announcement was made as to when further test flights will be made, but the plane is expected to remain here some months. Secrecy was applied on the future tests.

Col. H. E. Warden, chief of the Bombardment Branch, Air Materiel Command, Wright Field, Ohio, piloted a B-25 as an escort plane and said he was "very well satisfied" with the big ship's performance.

A Boeing spokesman explained that the claim of the "greatest power potential" of any plane was approved by the Army Air Forces and came from the fact that it has 24,000 pounds (horsepower) thrust from its six jet engines, plus 18,000 pounds from 18 JATO (jet-assisted takeoff) motors built into the ship.

General Clark Gets French Decoration

San Francisco, Dec. 18 (AP)—Gen. Charles E. Mast presented the Grand Cross of the French Legion of Honor to Gen. Mark W. Clark yesterday and described him as the first general in history "to come ahead of his army in a submarine."

It was to confer secretly with Mast and other French leaders that Clark made the submarine trip just prior to the Allied landings in North Africa in 1942.

Mast was then deputy chief of the French troops in Algeria. After the historic meeting with the American General, the French forces co-operated with Allied landing troops. Clark is now commanding general of the 6th Army.

killed in an automobile accident Dec. 6.

Finally a line official told her what had happened. For a moment she was stunned, then muttered "died?" and broke down.

Two days ago the line received a telegram from the McIntosh family stating that James had been killed, that the family would be unable to put up the $500 bond necessary to keep the girl in this country and that none of the family would be able to meet the ship.

Line officials said that under the law the girl would go to Ellis Island and later be returned to Italy.

Russian Blames Atom Tieup On U.S. 'Circles'

DEC 1947

Lake Success, Dec. 18 (AP)—Russia's Andrei A. Gromyko charged today that "certain influential circles" in the United States are responsible for the failure of the United Nations Atomic Energy Commission to agree on control of the atom.

He declared that it would be in the "interests" of the United States as a nation and of the people of the United States to reach such an agreement.

Gromyko, Deputy Foreign Minister of the Soviet Union, called on the commission to abandon plans to discuss the organization of a proposed atomic control authority and get back to work on trying to reach agreement on "fundamental" problems.

Have No "Time To Kill"

He said the commission is "killing time" in discussing organization matters before it has reached agreement on the basis problem and said that "we do not have the time to kill."

Earlier, Prof. Ignacy Zlotowski, Polish scientist, appealed to scientists on the commission to make a real effort to "prevent scientific disaster in the future."

In his farewell speech as a delegate on the commission, Professor Zlotowski said the atomic bomb cannot give the United States or any other nation security. He said that atomic energy must cease to be used as a weapon of war and it must become an instrument of peace.

Professor Zlotowski cited to the delegates declarations by British and American scientists urging the commission to consider fully Soviet proposals for atomic control introduced last June.

End Of Split Is Urged

He called for the elimination of the "unrealistic" majority and minority split in the commission in which Poland and Russia have opposed the majority of ten delegates on all major issues since the commission was organized last year.

The working committee of the commission met to plan the third phase of its long search for atomic agreement. Zlotowski will leave the commission December 31 when the Soviet Ukraine replaces Poland.

Zlotowski rejected a United States prediction made yesterday that Russia might eventually change her mind and join other nations in a sweeping pact controlling the atom such as the majority proposes. He said it would be disastrous to continue work on that assumption but he said the delegates must study every possible way of finding agreement.

"Basic" Russ Errors Seen

As the delegates completed preparations for this meeting, Frederick H. Osborn, United States deputy on the atomic commission, said that the Kremlin had made a "number of basic economic and political mistakes." He said he felt that there is "great ignorance" in the Kremlin on the sincerity of proposals for an international atomic development authority, backed by the United States and approved by ten other members of the twelve-nation commission.

Declaring that he had not heard a word from the Russians and that neither the Russians nor the United States delegates had made any attempt to settle their differences since the last commission meeting in September, Osborn said that no one country desires to take the responsibility of breaking off the atomic talks.

He said, instead, that the United States was anxious to continue negotiations.

Should Keep Talks Open

"I feel," he declared, "that as the world and the Soviet situations change, there is increasing likelihood that they (the Russians) will desire seriously to negotiate a treaty and for that reason it is worth while keeping negotiations open as long as possible."

Osborn said he had no information on Russian research in atomic energy, but that he "guessed they are doing everything they can."

In the first phase of the Russian-American disagreement in the commission last December, the majority approved virtually the entire American plan for an international atomic development authority laid down by Bernard M. Baruch before the commission in June, 1946. Russia rejected this plan but did not vote against it in the commission.

Council Action Pending

The second phase saw Russia and the majority split over plans for the function of the control authority. Russia voted against the second report embodying these plans. It still has to be considered in the Security Council.

GROMYKO SEES ATOM PACT BAR

DEC 1947

Says 'Influential Circles In U.S.' Prevent Accord

Lake Success, N.Y., Dec. 18 (AP)—Andrei A. Gromyko charged "certain influential circles" in the United States today with preventing an agreement on atomic energy control and demanded that the United Nations stop "killing time" on "useless" discussions.

The Soviet Deputy Foreign Minister, in effect, served notice that the United Nations must agree unanimously on how to control the atom for peace before creating an involved machine to make such control work.

Speaking to the last meeting this year of the working committee of the United Nations Atomic Energy Commission, Gromyko said it would be in the "interests" of the United States, as a nation, and of the United States people to reach agreement on fundamentals of atomic control.

U.S. Ready For Discussion

He said that all other talk, such as plans for the delegates to write a report on the organization of an atomic development authority, was "useless" in the absence of fundamental agreement.

Frederick H. Osborn, United States deputy on the committee, promptly said the United States was ready to discuss Russia's plans for atomic control. He emphasized that the United States would continue its attempts to find an answer to the atomic puzzler which has tied up the Atomic Energy Commission for a year and a half.

The upshot of the committee meeting was this:

1. The political committee of the Atomic Commission will take up a series of British questions and Russian answers dealing with Soviet proposals for setting up an international control commission.

Willing To Explain

2. The commission's controls committee will take up work on the organization, administration and financing of an atomic authority.

3. The majority of ten nations and Russia are as far apart as ever on the big question of atomic control.

Gromyko said he was willing to explain his position again in the political committee but insisted that the controls committee had nothing to talk about until Russia and the majority of the commission have solved their basic problems.

The working committee adjourned until January, with a definite date yet to be fixed for resumption of the atomic talks.

Pleads With Scientists

In a farewell address to the committee, the Polish delegate, Prof. Ignacy Zlotowski, former science teacher at Vassar College and Ohio State University, pleaded with his fellow scientists to make a real effort to "prevent scientific disaster in the future."

Zlotowski said he hoped the scientists could clear away as soon as possible "that horrible secrecy in atomic research."

He said that the atomic bomb cannot give the U. S. or any other country security. He declared that agreement on atomic energy now is "difficult if not impossible" because of differences between the U. S. and Russia but pleaded with the delegates to do everything possible to solve the question.

Alexandre Parodi, of France, commission chairman, said the delegates should invite experts on management and organization to testify on those problems in committee hearings. Gromyko countered that such a course was "useless" also in view of the disagreements now but several other delegates supported Parodi.

Other U. N. developments included:

1. Secretary-General Trygve Lie announced he had called a meeting of the five-nation Palestine commission for Jan. 7. None of the five, Denmark, Panama, Czechoslovakia, Bolivia and the Philippines, has officially named its representative to that commission.

2. The security council held a closed meeting to discuss the governorship of Trieste.

Palestine Group Meets Jan. 7

Lake Success, Dec. 18 (AP)—Trygve Lie, Secretary General of the United Nations, announced today he had called a meeting of the newly created five-nation Palestine Commission for January 7.

The commission was established by the recent General Assembly to supervise the partition of the Holy Land into separate Jewish and Arab countries.

Lie told a news conference none of the five countries on the commission had yet named its representatives, but that he had urged them to expedite their decisions. The countries are Denmark, Panama, Czechoslovakia, Bolivia and the Philippines.

Lie said he sent each a telegram December 12 and was sending another today, informing them of the meeting date. He said the commission might have to meet in New York for some time to do its detailed planning.

No date could be set for the commission's departure for Palestine, Lie said, until after the first meeting. He said the secretariat staff would be ready to leave for the Holy Land any time the commission was ready.

U.N. Asks Yugoslavia, Italy Aid On Trieste

Lake Success, N.Y., Dec. 18 (AP)—The United Nations Security Council decided late today to ask the governments of Italy and Yugoslavia to help it break the long deadlock over the selection of a governor for the Free Territory of Trieste.

The Council voted to ask the two governments to consult on the governorship question immediately and submit the name of a joint nominee, if possible, by January 5.

Italian Girl Arrives in N. Y., Finds Ex-GI Fiance Is Dead

NEW YORK, Dec. 18—(AP) Maria Formicola, 21, had a ship beautician give her a special hairdo and then excitedly dressed in her finest today as the liner Vulcania brought her to New York to meet her fiance, an American GI she met in her native Italy.

For five hours she waited for the young man, James H. McIntosh, 19, of Guerrant, Ky., who had notified her he would be at the pier. And for five hours American Export Line officials wondered how they would break the news to her that the young man had been

BY ARTHUR GAVSHON

LONDON, DEC.18-(AP)-DR.KARL GRUBER, AUSTRIAN FOREIGN MINISTER, SAID TODAY THERE APPEARED TO BE "REAL HOPE" FOR THE FIRST TIME THAT THE BIG FOUR WILL WRITE AN AGREED PEACE AND INDEPENDENCE PACT FOR HIS COUNTRY.

SOON AFTERWARDS, A BRITISH FOREIGN OFFICE SPOKESMAN TOLD A NEWS CONFERENCE THAT DISCUSSION YESTERDAY AMONG THE FOREIGN MINISTERS' DEPUTIES OVER EAST-WEST DIFFERENCES IN AUSTRIA WAS "ENCOURAGING AND HELPFUL."

THE DEPUTIES HAVE ADJOURNED TO ALLOW RUSSIA'S H.K.KOKTOMOV TO SUBMIT CONCRETE COUNTER-PROPOSALS TO A FRENCH COMPROMISE PLAN FOR SETTLING THE QUESTION OF WHAT CONSTITUTES GERMAN ASSETS IN AUSTRIA. THE DEPUTIES HAVE AGREED TO MEET AGAIN BEFORE FEB.1.

THE WESTERN POWERS FOR MONTHS HAVE DISPUTED RUSSIA'S CLAIMS TO SPECIFIC AUSTRIAN PROPERTIES AND INSTALLATIONS WHICH THE GERMANS TOOK OVER AFTER THE 1938 ANSCHLUSS. UNDER THE POTSDAM AGREEMENT, RUSSIA WAS AWARDED "GERMAN ASSETS" IN AUSTRIA AS REPARATIONS.

GRUBER TOLD NEWSMEN: "AT LAST THE GREAT POWERS HAVE DROPPED PRINCIPLES AND HAVE GOT DOWN TO A BUSINESSLIKE BASIS OF FIGURES AND FACTS IN THEIR EFFORTS TO REACH A SETTLEMENT."

GRUBER WAS REFERRING TO FRANCE'S FORMULA WHICH, BROADLY STATED, WOULD GIVE RUSSIA:

1. $100,000,000 (MILLION) WORTH OF GOODS FROM AUSTRIAN PRODUCTION OVER THE NEXT 10 YEARS AS REPARATIONS.

DEC 1947

2. ALL GERMANY'S FORMER DANUBIAN SHIPPING.
3. ONE-HALF OF THE OUTPUT OF THE RICH ZISTERDORF OIL FIELDS AND A ONE-THIRD SHARE IN THE PROSPECTED OIL AREAS. (ALL OF THESE HAD BEEN TAKEN OVER BY THE NAZIS DESPITE THE FACT THAT MANY INTERNATIONAL INTERESTS, INCLUDING AMERICAN AND BRITISH, WERE INVOLVED.)

KOKTOMOV, WHILE RESERVING A DECISION ON THE $100,000,000 LUMP SUM OFFER, REPEATED A DEMAND MADE BY FOREIGN MINISTER V.M.MOLOTOV IN THE FOREIGN MINISTERS' COUNCIL FOR A TWO-THIRDS SHARE IN THE ZISTERDORF OIL FIELDS AND IN THE NOW UNDEVELOPED AREAS.

RUSSIA'S ARGUMENT IN THE PAST HAS BEEN BASED ON THE VIEW THAT SHE WAS ENTITLED IN FACT TO 100 PERCENT OF THESE NAMED GERMAN ASSETS.

N956AES

london, dec. 18 - (ap) - harold wilson, president of the british board of trade, told the house of commons tonight that great britain and the united states would renegotiate a rubber agreement reached at the recent geneva trade conference.

at geneva, great britain agreed to grant the united states certain tariff concessions on british colonial crude rubber if the united states

...s agree to keep its synthetic rubber ...
...of its total rubber consumption, including ...
...wilson said british negotiators had "...
...accepting and that the united states had ...
...his statement to the house came after ...
...the agreement had been ratified because ...
...united states in calculating its total ...

DEC 1947

A194 "WE ALL UNDERSTOOD," HE SAID "HOW VALIANTLY AND HOW SINGLE-MINDEDLY HE (BEVIN) HAD LABORED TO BRING IT TO A SUCCESSFUL CONCLUSION." HE ADDED THAT THIS WAS TRUE, ALSO, OF MARSHALL AND FRENCH FOREIGN MINISTER BIDAULT.

HE DID NOT MENTION MOLOTOV.

PABORITE WILLIAM H.WARBEY BROUGHT CRIES OF "OH-OH" FROM BOTH SIDES OF THE HOUSE WHEN HE TOLD BEVIN HE ENDORSED "A GOOD DEAL" OF THE FOREIGN SECRETARY'S CRITICISM OF RUSSIA BUT ASKED IF BEVIN DID NOT "ATTACH SOME BLAME TO THE AMERICAN DELEGATION."

BEVIN REPLIED: "I AM NOT PRAISING OR BLAMING. WHAT I HAVE SAID IS THAT WE COULD NOT CARRY ON."

BEVIN MADE IT PLAIN BRITAIN WOULD NOT BACK DOWN IN THE DISPUTES

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BETWEEN THE WESTERN POWERS AND RUSSIA WHICH BROUGHT THE CONFERENCE COLLAPSE. HE MADE THESE POINTS:

ON REPARATIONS--RUSSIA REFUSED THE COUNCIL ANY INFORMATION ON ITS ACTIVITIES IN EASTERN GERMANY UNLESS THE WESTERN POWERS AGREED TO SOVIET CLAIMS FOR $10,000,000,000 (BILLION) IN ADVANCE. "I COULD NOT MAKE ANY BLIND COMMITMENTS IN THOSE CIRCUMSTANCES ON BEHALF OF THE BRITISH PEOPLE", BEVIN ADDED.

ON A UNIFIED GERMANY--"WE CANNOT AGREE TO AN OVER-CENTRALIZED GERMAN GOVERNMENT--ONE THAT CAN SO EASILY AGAIN BECOME A DICTATORSHIP. AN ATTEMPT WAS MADE TO MAKE US APPEAR AS OPPONENTS TO A UNITED GERMANY. NOTHING WAS FURTHER FROM THE FACT."

ON PROPAGANDA--SINCE THE MOSCOW CONFERENCE LAST SPRING "PROPAGANDA DEVELOPED WHICH CAUSED THINGS TO GO FROM BAD TO WORSE."

RQ323PES

DEC 1947

LONDON, DEC. 18-(AP)-TWO YOUNG GERMANS REPORT IN A LETTER TO SECRETARY OF STATE MARSHALL THAT THE MARSHALL AID PROGRAM SO HEARTENED THEM THEY HAVE DECIDED TO GET MARRIED, DESPITE "OUR RATHER DREARY SURROUNDINGS."

THE TWO ARE CLAUS-WESSEL BRUGMANN AND HEDI RUDOLPH OF MUNICH. THEY TOLD OF THEIR ENGAGEMENT IN THE LETTER, RECEIVED AT THE U.S. EMBASSY TODAY, SAYING:

"IT HAPPENED LIKE THIS: WE ARE TWO JOURNALISTS WORKING TOGETHER ON A RADIO BROADCAST (YOUTH PROGRAM) ABOUT YOUR EUROPEAN AID PROGRAM. WE GOT SO ENTHUSIASTIC ABOUT THE HONESTY AND FAIRNESS OF YOUR HARVARD SPEECH AND THE GENERAL IDEA OOF IT, THAT OUR BELIEF IN A CHANCE FOR POOR OLD EUROPE INCREASED IMMENSELY. IT IMPRESSED US SO MUCH THAT WE -- IN SPITE OF OUR RATHER DREARY SURROUNDINGS -- DECIDED TO GET MARRIED." X X X

THE LETTER WAS DATED "THANKSGIVING DAY, 1947."

MQ917PES

NORTHOLT, ENG., DEC. 18--(AP)--[redacted] SIXTY-SEVEN MASSACHUSETTS [redacted] BUNDLES OF SHAWLS MADE BY [redacted] WOMEN FOR AGED BRITONS ARRIVED BY PLANE TONIGHT.

THE SHAWLS WERE SENT BY THE BOSTON SECTION OF THE ENGLISH-SPEAKING UNION AND WILL BE DISTRIBUTED BEFORE CHRISTMAS BY WOMEN'S VOLUNTARY SERVICES TO MEN AND WOMEN OF THE LONDON AREA.

A WVS OFFICIAL ESTIMATED THAT THERE WERE 1,000 SHAWLS #

PRECEDE LE HAVRE DAY

PARIS, DEC. 18-(AP)-PRESIDENT VINCENT AURIOL, SPEAKING TODAY AT A RECEPTION IN PARIS IN HONOR OF THE ARRIVAL OF "FRIENDSHIP TRAIN" CONTRIBUTIONS OF FOOD, EXPRESSED HIS THANKS TO THE PEOPLE OF THE UNITED STATES.

"WHAT MAKES OUR HEARTS BEAT FASTER," AURIOL SAID, "IS THAT THIS EVIDENCE OF UNDERSTANDING OF FRANCE COMES TO US FROM ALL CLASSES OF SOCIETY AND EVERY PART OF YOUR COUNTRY, FROM MEN AND WOMEN OF ALL POSITIONS, ALL OPINIONS, ALL PROFESSIONS, ALL AGES, DESPITE THE PRIVATIONS THAT WEIGH ON THEM, TOO."

MQ919PES

DEC 1947

LE HAVRE, FRANCE, DEC.18-(AP)-THE FIRST OF 10 TRAINS WILL LEAVE HERE TOMORROW TO BEGIN DISTRIBUTION THROUGHOUT FRANCE OF 4,000 TONS OF FRIENDSHIP TRAIN FOOD DONATED BY THE PEOPLE OF THE UNITED STATES.

THE FOOD SHIPMENT ARRIVED HERE YESTERDAY ABOARD THE FREIGHTER AMERICAN LEADER, WHICH WAS GREETED AT SPECIAL CEREMONIES ATTENDED BY MME.GERMAINE POINSO-CHAPUIS, FRENCH PUBLIC HEALTH MINISTER, AND U.S.AMBASSADOR JEFFERSON CAFFERY.

IN REPLY TO AN OFFICIAL EXPRESSION OF THANKS BY MME.POINSO-CHAPUIS CAFFERY SAID:

"THIS GIFT OF FOOD IS NOT A GOVERNMENTAL GESTURE. IT IS A SPONTANEOUS ACT OF THE PRIVATE CITIZENS OF THE UNITED STATES."

IN PARIS, THE COUNCIL OF THE REPUBLIC ADOPTED UNANIMOUSLY A RESOLUTION THANKING THE AMERICAN PEOPLE FOR THE FRIENDSHIP TRAIN FOOD. THE RESOLUTION SAID THE GIFT OFFERED "NEW EVIDENCE OF A SYMPATHY AND UNDERSTANDING WHICH DEEPLY TOUCHES THE PEOPLE OF FRANCE."

THE PORT OF LE HAVRE WAIVED ALL PORT FEES ON THE FOOD SHIP AND THE FRENCH NATIONAL RAILWAYS WILL MAKE NO CHARGE FOR DISTRIBUTION OF THE CARGO.

THE DISTRIBUTION WILL BE UNDER THE DIRECTION OF FOUR AMERICAN VOLUNTEER AGENCIES--AMERICAN AID TO FRANCE, THE WORLD COUNCIL OF CHURCHES, THE AMERICAN JOINT DISTRIBUTION COMMITTEE AND THE NATIONAL CATHOLIC WELFARE CONFERENCE.

THE ONLY DISCORDANT NOTE IN THE WELCOME ACCORDED THE ARRIVAL OF THE FOOD SHIP WAS SOUNDED BY THE COMMUNIST NEWSPAPER CE SOIR IN PARIS, WHICH SAID:

"NO ONE DOUBTS THE SINCERITY OF THE AMERICAN PEOPLE, BUT THE EVIDENCE FURNISHED IN NO WAY JUSTIFIES THE MASSIVE PROPAGANDA CREATED ABOUT THIS SHIPMENT."

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DEC 1947

versailles, france, dec. 18 - (ap) - daniel beloden of the popular republican movement (mrp) was elected the first president of the assembly of the french union tonight, defeating a pro-communist. more -over

the assembly, which under the constitution of the fourth republic advises the government on affairs of french overseas areas, is holding the organization meeting here.

it is an advisory body only and all its members except boisdon, who is the national assembly's representative in the french union, are from french overseas territories.

boisdon, 53-year-old nazi resistance leader, defeated eugene darboussier of the ivory coast, a member of the pro-communist african democratic party, 68 to 36.

DEC 1947

ROME--FIRST ADD ITALIAN (A83) X X THE REGION.
COMMUNIST LEADER PALMIRO TOGLIATTI IMPLIED IN A SPEECH LAST MONTH IN MILAN, MADE PUBLIC ONLY TODAY, THAT THE COMMUNISTS WERE RESPONSIBLE FOR DISORDERS SWEEPING ITALY SINCE NOV.12. THE PARTY NEWSPAPER L'UNITA PRINTED PARTS OF THE SPEECH, IN WHICH HE SAID:
"EVEN THOUGH WE ARE GOING INTO ELECTIONS, WE ARE ALREADY ENGAGED IN A BROAD FIGHT THAT GOES ON OUTSIDE THE ELECTORAL TERRAIN."
HE SAID THE AGITATION WAS TO "CREATE A CERTAIN TIMIDITY" AMONG RIGHTISTS. ITALIAN ELECTIONS ARE SCHEDULED TENTATIVELY FOR APRIL.
N857AES

First Lead Greek (A5)

Athens, Dec. 18-(AP)-U.S. Charge D'Affaires Karl L. Rankin presented an aide memoire today to Premier Themistokles Sophoulis saying a cabinet crisis at this time would "inevitably affect adversely" the consideration of aid to Greece, an authoritative source said.

more

Rankin's note focused the latent crisis in the three-months old government over differences between the populists of Vice Premier Constantin Tsaldaris and the liberals of Sophoulis. Rankin urged the premier to use his best efforts to end the discord, saying rumors and parliamentary debate "give cause to believe that maneuvers are afoot to bring about the fall of the present cabinet."

Another informant said a small populist party was trying to force a cabinet crisis in the belief that the United States irrevocably was committed to Greece and could not pull out. #

ATHENS, DEC.18-(AP)-TWENTY-ONE PERSONS CONVICTED OF SUBVERSIVE ACTIVITIES WERE EXECUTED TODAY IN VOLOS AND IN SALONIKA.
N1804AES
DEC

30.24- 14331

ATHENS, DEC 18-(AP)-FRICTION WITHIN GREECE'S THREE-MONTHS-OLD LIBERAL-POPULIST COALITION GOVERNMENT WAS BROUGHT INTO THE OPEN TODAY AS PREMIER THEMISTOKLES SOPHOULIS AND VICE PREMIER CONSTANTIN TSALDARIS TRIED TO CLEAR UP DIFFERENCES BETWEEN THEIR PARTIES.

TSALDARIS, LEADER OF THE POPULISTS, SAID THAT HE HAD CONFERRED LAST NIGHT WITH LIBERAL LEADER SOPHOULIS CONCERNING A LACK OF COOPERATION BETWEEN THE TWO GROUPS AND THAT THEY WOULD MEET AGAIN TODAY.

HE INDICATED THAT THE DIFFERENCES HAD SOMETHING TO DO WITH CERTAIN ACTIONS WHICH, HE SAID, HAD BEEN TAKEN BY UNSPECIFIED CABINET MEMBERS IN THE GOVERNMENT'S FIGHT AGAINST GUERRILLA FORCES WITHOUT FIRST OBTAINING THE FULL CABINET'S APPROVAL.

OTHER SOURCES CLOSE TO THE GOVERNMENT SAID THAT ELEMENTS WITHIN THE LIBERAL AND POPULIST PARTIES HAD BEEN SPARRING UNDER COVER FOR SOME DAYS AND THAT EACH GROUP WAS SEEKING AMERICAN BLESSING IN THE EVENT A REAL GOVERNMENT CRISIS SHOULD DEVELOP. DEC 1947

M231AES

GENEVA, SWITZERLAND, DEC 18-(AP)-THE WORLD'S FIRST INTERNATIONAL BILL OF HUMAN RIGHTS--DRAFTED OVER SOVIET OPPOSITION BY THE UNITED NATIONS COMMISSION ON HUMAN RIGHTS--WAS FORWARDED TO THE U.N. TODAY WITH THE RECOMMENDATION THAT ALL THE MEMBER GOVERNMENTS ADOPT THE MEASURE.

THE BILL, DRAWN UP AT THE CLOSE OF A TWO-WEEKS CONFERENCE OF THE 18-MEMBER COMMISSION UNDER THE CHAIRMANSHIP OF MRS. FRANKLIN D. ROOSEVELT, CONSISTED OF:

1. A DECLARATION OF HUMAN RIGHTS, WHICH THE COMMISSION PROPOSED FOR ADOPTION BY THE U.N. AS A BODY AND WHICH WOULD HAVE ONLY A MORAL BINDING FORCE.
2. A COVENANT OF HUMAN RIGHTS--PROPOSED FOR ADOPTION BY U.N. MEMBERS INDIVIDUALLY WITH LEGAL BINDING FORCE ON EACH NATION WHICH RATIFIES IT.
3. AN INTERNATIONAL COURT OF HUMAN RIGHTS AND A FIVE-NATIONS COMMITTEE TO EXAMINE ALLEGED VIOLATIONS--FOR WHICH U.N. ADOPTION ALSO WAS SOUGHT.

THE FOUR EASTERN DELEGATIONS FROM THE SOVIET UNION, THE UKRAINE, WHITE RUSSIA AND YUGOSLAVIA OPPOSED THE COVENANT AND ABSTAINED FROM VOTING ON THE DECLARATION.

M440AES

BERLIN--FIRST ADD ASKANIA (B42) X X X ANNOUNCED.

WESTARP TESTIFIED IN THE TRIAL THAT, ALTHOUGH THE MAJOR SHARE OF THE KINO THEODOLITES PRODUCED BY THE PLANT WENT TO GERMAN ARMED FORCES DURING THE WAR, HE HAD COMPLETED A LARGE CONTRACT WITH THE SOVIET UNION EARLY IN 1941. THE PRODUCT WAS NOT FOR THE RUSSIAN ARMY, WESTARP TESTIFIED, "BECAUSE HITLER WOULD NOT HAVE PERMITTED IT."

HE SAID THEODOLITESHAD BEEN SOLD TO ALL NEUTRAL COUNTRIES AROUND GERMANY, ADDING THAT THE INSTRUMENT WAS USEFUL IN PEACETIME FOR SUCH PURPOSES AS THE STUDY OF THE MOVEMENT OF BIRDS.

WESTARP HAD PLEADED INNOCENT.

U.S. MILITARY GOVERNMENT OFFICERS TESTIFIED THEY VISITED THE PLANT IN JULY AND SAW THE THEODOLITES, SUBMARINE PERISCOPES, MACHINES FOR TRAINING PILOTS AND MACHINES FOR CONTROLLING MISSILES IN FLIGHT.

EZ1024AES

WITH NEW YORK KNIGHT (B23)

BERLIN, DEC.18-(AP)-THE SUGGESTION BY PUBLISHER JOHN S. KNIGHT THAT THE UNITED STATES SHOULD DEMAND STRATEGIC AIR BASES FOR DEFENSE AGAINST AGGRESSION THROUGHOUT THE WORLD AS A CONDITION OF ECONOMIC ASSISTANCE TO OTHER NATIONS WAS FRONT-PAGED TODAY BY THE RUSSIAN-CONTROLLED NEWSPAPER NACHT EXPRESS UNDER THIS HEADLINE:

"WALL STREET UNMASKED."

THE PAPER, IN AN APPENDED COMMENTARY, ALSO CRITICIZED THE ASSOCIATED PRESS FOR REPORTING KNIGHT'S REMARKS.

IT DELETED FROM THE AP REPORT KNIGHT'S STATEMENT THAT THE U.S. SHOULD "SPEAK THE ONLY LANGUAGE RUSSIA CAN UNDERSTAND."

THE EXPRESS COMMENTARY SAID:

"MR. KNIGHT MAY BE A BIG OR SMALL MAN, WE DON'T KNOW. BUT THAT SUCH SPEECHES ARE MADE IN AMERICA -- AND THAT A BIG NEWS AGENCY REPORTS THEM--IS SIGNIFICANT ENOUGH!"

IN AN ADJOINING COLUMN THE EXPRESS PRINTED AN ASSOCIATED PRESS DISPATCH FROM FRANKFURT, REPORTING AN INTERVIEW WITH THE COMMUNIST PARTY SECRETARY OF HESSE, WALTER FISCH, IN WHICH HE CRITICIZED POLITICAL AFFAIRS IN THE AMERICAN ZONE OF GERMANY. THE NEWSPAPER PRAISED THIS AS A LAUDABLE STATEMENT WHICH SHOULD NOT ONLY BE WIDELY DISTRIBUTED BUT SHOULD BE FOLLOWED BY OTHER POLITICAL PARTIES. DEC 1947

EZ1117AES

THE DEFENSE WILL REQUIRE TWO DAYS TO COMPLETE READING OF ITS OPENING STATEMENTS. THE AMERICAN MILITARY TRIBUNAL THEN WILL ADJOURN UNTIL JAN. 12, WHEN IT WILL START HEARING THE DEFENSE CASE AGAINST CHARGES OF PLANNING AND WAGING AGGRESSIVE WAR, PLUNDERING OCCUPIED COUNTRIES, EXPLOITING AND MISTREATING SLAVE LABOR AND CONSPIRACY TO COMMIT CRIMES AGAINST PEACE.

TU113PES

SOFIA, DEC.18-(AP)-A GOVERNMENT COMMUNIQUE SAID LAST NIGHT THAT UNDER THE NEW BULGARIAN-ALBANIAN 20-YEAR MUTUAL AID PACT NEITHER NATION CAN "GIVE ANY ASSISTANCE WHATEVER" TO THE UNITED NATIONS COMMISSION INVESTIGATING BALKAN BORDER DISTURBANCES. NEITHER IS A MEMBER OF THE U.N.

(MARSHAL TITO OF YUGOSLAVIA ARRIVED IN BUCHAREST YESTERDAY TO CONFER WITH THE ROMANIAN GOVERNMENT ON SIGNING A SIMILAR 20-YEAR PACT WHICH WOULD BE THE FINAL LINK IN A FOUR-POWER DANUBIAN DEFENSE CHAIN.

(LAST WEEK TITO SIGNED A MUTUAL AID PACT WITH HUNGARY AND EARLIER A SIMILAR AGREEMENT WITH BULGARIA).

JP546AES

SOFIA, Bulgaria, Dec. 18-(AP)-The grand national assembly (parliament) elected Dimiter Georgiev today to a five-year term as supreme public prosecutor of the republic. He is a member of the assembly and [redacted] a Communist.

MIGHT LEAD

SOFIA, Bulgaria, Dec. 18-(AP)-Premier Enver Hoxha of Albania described war-mongers and imperialists tonight as "headed by the English and Americans, who desire at all costs to inflame a new war."

He said the aim of the new [redacted] 20-year Albanian-Bulgarian mutual-aid treaty, signed here Tuesday, was to consolidate the struggle for peace against such persons.

DEC 1947

The [redacted] premier, who was interviewed by correspondents on a train taking him back to his capital, Tirana, said of Greece, "we do not conceal our great sympathies toward the Greek people, who struggle heroically against occupiers and traitors."

"The Soviet Union, headed by the great Stalin," he said, "is a pillar of peace and democracy and is the hope of the whole of progressive humanity."

BELGRADE, YUGOSLAVIA, DEC.18-(AP)-TAX COLLECTORS TOLD PRIVATE SHOPS AND BUSINESS ENTERPRISES TODAY THAT THEY MUST PAY IN FULL THE 1945, 1946 AND 1947 INCOME TAXES BEFORE THEY WILL BE ALLOWED TO PURCHASE FURTHER SUPPLIES FROM GOVERNMENT-OWNED STORES AND WAREHOUSES.
AN ORDER TO THAT EFFECT PASSED ALMOST UNNOTICED WHEN IT APPEARED RECENTLY ON THE INSIDE PAGES OF NEWSPAPERS. A GOVERNMENT SPOKESMAN SAID MANY HAD NOT PAID TAXES SINCE THE END OF THE WAR AND THE ORDER WAS INTENDED TO SPEED UP COLLECTIONS.
A CHECK BY THE ASSOCIATED PRESS INDICATED THAT IN MANY CASES THE TAXES EXCEEDED NET INCOMES AND THAT MANY PRIVATE SHOPS AND BUSINESSES WOULD BE FORCED TO CLOSE, LEAVING THE FIELD TO GOVERNMENT-OWNED SHOPS.
THE 1946 TAXES WERE ABOUT DOUBLE THOSE OF THE PREVIOUS YEAR AND TRIPLED 1947 WERE IN MANY CASES AND IN SOME INSTANCES INCREASED FOUR-FOLD. A GOVERNMENT ORDER PUBLISHED SOME TIME AGO SAID 1945 TAXES WERE TOO LOW AND WOULD BE RE-LEVIED TO EQUAL THE 1947 CHARGES.
IT APPEARED THAT THE ONLY PRIVATE SHOPS WHICH WILL BE ABLE TO CONTINUE IN BUSINESS WILL BE THOSE WHICH CAN BUY GOODS IN THE TIGHTLY LIMITED FREE MARKET AND FROM THE ALMOST BARREN BLACK MARKET.
THE GOVERNMENT ASSERTED THAT YUGOSLAVS CAN GET EVERYTHING THEY NEED FROM GOVERNMENT-OWNED SHOPS AND THAT IN MOST CASES, PRIVATE OWNERS CAN GET JOBS AS CLERKS AND MANAGERS IN THESE STATE STORES.
W140PES

MOSCOW, DEC.18-(AP)-THE NEWSPAPER IZVESTIA REPORTED TODAY THE PRESIDIUM OF THE SUPREME SOVIET HAD ACCEPTED A NEW DECREE REGULATING THE RELATIONS BETWEEN STATE INSTITUTIONS OF THE SOVIET UNION AND INSTITUTIONS OF FOREIGN GOVERNMENTS.
WITHOUT ELABORATING ON THE NATURE OF THE NEW LAW, IZVESTIA PUBLISHED THE ANNOUNCEMENT AS FOLLOWS:
"THE PRESIDIUM DISCUSSED AND ACCEPTED ON THE BASIS OF A REPORT FROM THE MINISTER OF JUSTICE OF THE SOVIET UNION, COMRADE N.M. RYCHKOV, A DECREE 'ON A SYSTEM OF RELATIONS BETWEEN STATE INSTITUTIONS OF THE U.S.S.R. AND THEIR PERSONNEL WITH INSTITUTIONS AND PERSONNEL OF FOREIGN STATES.'"
B112AES

MOSCOW, DEC. 18-(AP)-AN OFFICIAL ANNOUNCEMENT SAID TONIGHT A SESSION OF THE SUPREME SOVIET (PARLIAMENT) OF THE SOVIET UNION WOULD BE CALLED FOR JAN. 30.
MO914PES

30.24- 14333

moscow, dec. 18-(ap)-the communist youth newspaper komsomol pravda, in telling how revaluation of the ruble and the end of rationing affected one family of four leningrad textile workers, reported today the family once spent 100 of its 113 rubles a day for groceries, the family's combined income, it said, was 3,400 rubles a month.

the newspaper said the experience of the family of lyubov fedorovna potemkin was that until the repeal of rationing, their money was just about sufficient for food alone.

DEC 1947

now, it said, quoting eldest daughter anna, "according to the new revaluation and prices we will spend much less money daily; every month more than half our wages will remain for clothing, shoes and other expenditures."

"such," said komsomol pravda, "is the new budget of a simple soviet family."

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Baghdad, iraq, dec. 18—(AP)—An authoritative source said tonight that the iraqi government had received a note from the British government "cautioning against any government military intervention in Palestine."

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BY EDWARD CURTIS

BEIRUT, LEBANON, DEC. 18-(AP)-WILLIAM S.S. RODGERS OF NEW YORK, CHAIRMAN OF THE BOARD OF DIRECTORS OF THE TEXAS COMPANY, SAID TODAY THAT "EUROPE MUST HAVE SUFFICIENT FUEL TO MAKE THE MARSHALL PLAN WORK," AND SUGGESTED HUGE OIL RESERVES IN THE ARAB STATES AND IRAN AS THE QUICKEST SOURCE OF SUPPLY.

AS CHAIRMAN OF THE TRANS-ARABIAN PIPELINE COMPANY, RODGERS IS CONFERRING WITH OFFICIALS HERE ON THE PROGRESS OF A 31-INCH PIPELINE WHICH IS EXPECTED TO BE OPENED IN 1950 TO FUNNEL 330,000 BARRELS OF OIL DAILY FROM ARABIAN DESERT OIL FIELDS TO SIDON, LEBANON, WHICH LIES ACROSS THE MEDITERRANEAN FROM FUEL-STARVED EUROPE.

BUILDING THE PIPELINE THROUGH THE ARAB STATES, WHICH HAVE BITTERLY OPPOSED THE UNITED STATES-SUPPORTED PARTITION OF PALESTINE, WILL SAVE USING 85 TO 90 TANKERS, RODGERS SAID.

TRANS-ARABIAN STILL NEEDS RATIFICATION OF AN OIL CONVENTION WITH SYRIA BEFORE THE PIPELINE CAN BE CONSTRUCTED ACROSS THAT COUNTRY. IT IS ONE OF SEVERAL LINES, EITHER UNDER CONSTRUCTION OR PLANNED, WHICH WILL TRAVERSE ARAB COUNTRIES, BRINGING 1,500,000 BARRELS OF OIL DAILY INTO LEVANT STATE PORTS WITHIN THE NEXT SIX YEARS.

RODGERS SAID CONSTRUCTION OF NEW PIPELINES IN THE MIDDLE EAST WAS "VITAL TO USE IN THE UNITED STATES."

"THE WESTERN HEMISPHERE NOW IS SENDING ABOUT 800,000 BARRELS OF OIL DAILY TO THE EASTERN HEMISPHERE AND WORLD DEMANDS ARE INCREASING (AT THE RATE OF) 400,000 BARRELS DAILY EACH YEAR," HE ADDED.

AT A CONFERENCE WITH ARAB NEWSMEN, RODGERS WAS BARRAGED WITH QUESTION CONCERNING THE PARTITION OF PALESTINE.

ASKED IF HIS COMPANY WAS INVOLVED IN THE PARTITION, HE REPLIED:

"WE HAVEN'T THE SLIGHTEST THING TO DO WITH IT."

"HAVE YOU TRIED TO DO SOMETHING ABOUT PARTITION?" HE WAS ASKED.

"IN AMERICA," RODGERS REJOINED, "CORPORATIONS ARE SEPARATED FROM POLITICS."

DEC 1947

HE ALSO WAS ASKED IF FOUR AMERICAN COMPANIES-TEXAS, STANDARD OIL OF NEW JERSEY, STANDARD OIL OF CALIFORNIA AND SOCONY VACUUM--WHICH OWN JOINTLY THE TRANS-ARABIAN PIPELINE COMPANY AND THE ARABIAN-AMERICAN

OIL COMPANY, WERE BACKED BY ZIONISTS.
HE SAID THE COMPANIES HAD A MINIMUM OF 500,000 STOCKHOLDERS AND ADDED "WE DON'T KNOW ANYTHING ABOUT THE POLITICAL AFFILIATION OF THESE PEOPLE."
RW813PES

A17 Jews add xx year,
THE ROADS TO NAZARETH, ATOP A MOUNTAIN IN GALILEE, LEAD THROUGH AREAS RIPPED BY JEWISH-ARAB STRIFE. ARABS GUARD THE WINDING MOUNTAIN ROAD WHICH USED TO BRING 15,000 TOURISTS A YEAR. THEY CHECK PASSPORTS. IF IT IS JEWISH, THE HOLDER PROBABLY WILL DIE ON THE SPOT. OTHERS ARE TURNED BACK.
THE NAZARENES THEMSELVES HAVE TAKEN LITTLE PART IN THE RECENT HOSTILITIES, BENDING MOST OF THEIR EFFORTS TO THE PRODUCTION OF SOUVENIRS FOR THE TOURISTS. NOW THEY ARE SAD. ONE LITTLE WOMAN, MAKING LACE FOR HER HUSBAND TO SELL IN HIS SHOP DOWN THE STREET, SAID SORROWFULLY:
"NO ONE SEEMS TO CARE ABOUT CHRISTMAS. ALL THEY WANT TO DO IS KILL. CAN'T THEY REMEMBER JESUS WAS BORN TO BRING PEACE?"

THE BRITISH MILITARY CONTINUED TO TURN MORE AND MORE AUTHORITY OVER TO THE NEWS IN THE CENTRAL COASTAL AREA OF PALESTINE. AN ANNOUNCEMENT TODAY SAID THE FIRST INFANTRY DIVISION HAD REMOVED ITS HEADQUARTERS FROM TEL LITWINSKY TO SARAFAND, RELINQUISHING CONTROL OF THE FORMER OF THE JEWS.
TEL LITWINSKY WAS THE SCENE OF THE PRINCIPAL LEAVE CAMP FOR AMERICAN TROOPS IN THE MIDDLE EAST DURING THE WAR.
DEC 1947
M514AES

JERUSALEM, SECOND ADD PALESTINE (ORIGINAL A45) X X X
AN AMERICAN CONSULATE SOURCE SAID THAT RESEARCH INTO THE DEATH OF ISRAEL SCHREIBER, WHO WAS FOUND BEARING AN AMERICAN PASSPORT, SHOWED THE PASSPORT ISSUED IN 1928 BUT EXPIRED FIVE YEARS LATER.
THE SOURCE SAID SCHREIBER WAS AN AUSTRIAN-BORN NATURALIZED AMERICAN CITIZEN WHEN THE PASSPORT WAS ISSUED.
SCHREIBER'S BODY WAS FOUND IN A SACK ON A RUBBISH HEAP OUTSIDE JERUSALEM YESTERDAY AFTERNOON. HE HAD BEEN SHOT THROUGH THE HEAD.
JR8AES

SHANGHAI, FRIDAY, DEC.19-(AP)-THE NEWSPRINT ALLOTMENTS OF CHINA'S TWO, FOREIGN-OWNED ENGLISH LANGUAGE DAILIES WERE CUT DRASTICALLY TODAY IN WHAT SOME OBSERVERS THOUGHT MIGHT BE AN ATTEMPT BY CHINESE GOVERNMENT ARMY PUBLICATIONS TO ELIMINATE FOREIGN OWNED NEWSPAPERS FROM THE COUNTRY.
RANDALL GOULD, EDITOR OF THE AMERICAN-OWNED SHANGHAI EVENING POST-MERCURY, NOTIFIED U.S. AMBASSADOR J.LEIGHTON STUART THE SHANGHAI NEWSPAPER PUBLISHERS GUILD "ARBITRARILY AND WITHOUT WARNING OR OPPORTUNITY OF APPEAL" CUT HIS PAPER'S QUARTERLY QUOTA 50 PERCENT.
GOULD SAID THE GUILD, ENTRUSTED BY THE GOVERNMENT WITH ALLOCATING NEWSPRINT, SLASHED THE BRITISH-OWNED NORTH CHINA DAILY NEWS QUOTA 90 PERCENT.
"NO CHINESE-OWNED JOURNALS WERE REDUCED," GOULD REPORTED, "BUT THE AMOUNTS MADE AVAILABLE FROM THE ANGLO-AMERICAN QUOTAS IMMEDIATELY WERE AWARDED TO SIX NEW CHINESE GUILD MEMBERS.
"THE POST IS NOTIFYING THE GUILD IT REFUSES TO ACCEPT SUCH OUTRAGEOUS AND UNJUSTIFIED DISCRIMINATION," GOULD MESSAGED THE AMBASSADOR.
THE EDITOR SAID HE ALSO WANTED TO APPEAL TO THE CHINESE GOVERNMENT TO INVESTIGATE GUILD OPERATIONS AND REMOVE ITS POWERS TO ALLOCATE NEWSPRINT. THE GUILD IS MADE UP LARGELY OF GOVERNMENT ARMY ORGANS.
GOULD TOLD STUART THE MOVE "MAY HAVE A BROAD BEARING ON VARIOUS ASPECTS OF THE AMERICAN TRADE POSITION."
THE GUILD TOOK ITS ACTION AT A MEETING LAST NIGHT AND GAVE NO REASONS, EXCEPT TO NOTE THAT THE POST OCCASIONALLY PUT OUT EXTRA PAGES. THE POST ORDINARILY RUNS EIGHT PAGES, THE NORTH CHINA DAILY NEWS 10.
SHANGHAI HAS TWO OTHER ENGLISH LANGUAGES DAILIES, THE CHINA PRESS OWNED BY THE KUNG FAMILY AND THE CHINA TRIBUNE, GOVERNMENT CONTROLLED. NEITHER WAS AFFECTED.
WR1049PPS

CHINESE MILITARY (220)
BY JOHN RODERICK
DEC 1947
SHANGHAI, DEC. 18-(AP)-THE INDEPENDENT NEWSPAPER TA KUNG PAO REPORTED TODAY THAT THE GOVERNMENT HAD PLACED MUKDEN UNDER MARTIAL LAW -- UNDERLINING THE GRAVITY OF THE CIVIL WAR SITUATION IN MANCHURIA.
GOVERNMENT SOURCES IN NANKING FOR SEVERAL DAYS HAD DISMISSED RENEWED FIGHTING IN SOUTHERN MANCHURIA AS "LITTLE MORE THAN SKIRMISHING."
TA KUNG PAO, WHOSE REPORTS ARE GENERALLY RELIABLE, SAID THE MAIN CHINESE COMMUNIST DRIVE WAS MOVING SOUTHWARD TO FAKU, A VILLAGE ABOUT 60 MILES NORTH OF MUKDEN AND DIRECTLY WEST OF KAIYUAN ON THE OFT-SHATTERED MUKDEN-CHANGCHUN RAIL LINE.
IT REPORTED COMMUNICATIONS BETWEEN FAKU AND CHANGWU TO THE WEST HAD BEEN CUT.
IT APPEARED THAT THE REDS HAD MASSED FOR THEIR SEVENTH OFFENSIVE IN MANCHURIA AND THAT THE DRIVE WAS GAINING MOMENTUM. A GOVERNMENT ORGAN, SIN WEN PAO, PREDICTED "LARGE SCALE HOSTILITIES WILL AGAIN TAKE PLACE IN THE NORTHEAST."
AN IMPORTANT BUT SELDOM MENTIONED FACT PROVIDING EVIDENCE OF GROWING COMMUNIST STRENGTH IN MANCHURIA IS THEIR ABILITY TO MAINTAIN LARGE FORCES SOUTH OF THE SUNGARI RIVER.
FORMERLY, WHEN THE COMMUNISTS PUSHED SOUTH FROM HARBIN FOR ENCOUNTERS WITH GOVERNMENT FORCES IN MANCHURIA THEY WERE FOR
T GIN
THE END OF E

FORMERLY, WHEN THE COMMUNISTS PUSHED SOUTH FROM HARBIN FOR ENCOUNTERS WITH GOVERNMENT FORCES IN MANCHURIA THEY WERE FORCED AT THE END OF EACH CAMPAIGN TO RETREAT ACROSS THE SUNGARI TO REGROUP. BUT DURING THE LAST THREE OFFENSIVES, THE REDS HAVE MANAGED TO REMAIN SOUTH OF THE SUNGARI.
X420APS

NIGHT LEAD CHINESE
SHANGHAI, DEC.18-(AP)-THE INDEPENDENT NEWSPAPER TA KUNG PAO REPORTED TODAY THAT MARTIAL LAW AND NIGHTLY CURFEW HAD BEEN ORDERED FOR MUKDEN, EFFECTIVE IMMEDIATELY, AS A STRONG COMMUNIST FORCE PUSHED TO FAKU, 48 MILES NORTH OF THE MANCHURIAN METROPOLIS.
CHINESE GOVERNMENT SOURCES IN NANKING HAVE CONTINUED TO DESCRIBE MANCHURIAN OPERATIONS AS MERE SKIRMISHING, AND THE SEVERE WINTER WOULD MAKE ANY MAJOR CAMPAIGN DIFFICULT.
A GOVERNMENT PAPER, SIN WEN PAO, PREDICTED, HOWEVER, THAT "LARGE-SCALE HOSTILITIES WILL AGAIN TAKE PLACE IN THE NORTHEAST."
THERE WAS NO NEW WORD FROM ANKING ON CENTRAL CHINA OPERATIONS,

30.24- 14335

WHERE A GOVERNMENT MILITARY SPOKESMAN SAID YESTERDAY A MAJOR BATTLE WAS DEVELOPING BETWEEN 70,000 COMMUNISTS AND POSSIBLY TWICE THAT MANY NATIONAL TROOPS.

THE SCENE IS IN HONAN PROVINCE, SOME 350 MILES NORTHWEST OF NANKING WHERE GEN. LIU PO-CHENG RECENTLY CRASHED OUT OF A GOVERNMENT TRAP AND WHERE GENERALS CHEN YI AND CHEN KENG, EQUALLY-FAMED COMMUNIST COMMANDERS, ARE OPERATING. THE GOVERNMENT'S CENTRAL NEWS AGENCY HAS SAID THESE THREE ARE MERGING FORCES TO ESTABLISH A NEW BASE IN WESTERN HONAN'S HILLS.

--DASH--

EDRS: PLS MAKE 3D GRAF READ
A GOVERNMENT PAPER, SIN WEN PAO, PREDICTED, ETC
FJ651PCS

DEC 1947

NIGHT LEAD WAR CRIMES

TOKYO,FRIDAY,DEC.19-(AP)-EX-FOREIGN MINISTER SHIGENORI TOGO TESTIFIED TODAY THAT ANOTHER DEFENDANT TOLD HIM AFTER THE WAR CRIMES TRIAL OPENED TO "FORGET THE FACT THE NAVY DESIRED A SURPRISE ATTACK" IN 1941.

TOGO SAID THE STATEMENT WAS MADE BY SHIGETARO SHIMADA, FORMER NAVY MINISTER, IN THE PRISONERS' CELLS OUTSIDE THE COURTROOM WHILE THE TRIAL WAS IN PROGRESS.

TOGO, WHO HAS CONTENDED ON THE STAND THE NAVY VERSION OF THE ATTACK ON PEARL HARBOR WAS AT VARIANCE WITH HIS OWN, WAS BEING CROSS-EXAMINED.

"IN EFFECT, YOU SAY THE NAVY WANTED TO BRING OUT A STORY DIFFERENT FROM THE FACTS BEFORE THIS TRIBUNAL?" DEMANDED JOHN G. BRANNON, ATTORNEY FOR SHIMADA.

"THE CONVERSATION DID NOT PUT ANY RESTRICTION AS TO WHERE I WOULD NOT SPEAK THE FACTS," TOGO REPLIED, "BUT I SHOULD THINK THE TRIBUNAL WAS INCLUDED."

EARLIER TOGO TESTIFIED HIDEKI TOJO AND MARQUIS KOICHI KIDO AGREED JUST BEFORE PEARL HARBOR THAT PRESIDENT ROOSEVELT'S LAST-HOUR MESSAGE TO EMPEROR HIROHITO "WOULD DO NO GOOD." TOGO IS ACCUSED OF DELAYING THE DELIVERY OF THE MESSAGE TO HIROHITO UNTIL IT WAS TOO LATE.

FJ1124PCS NM

BATAVIA, JAVA, DEC.18-(AP)-REPORTS FROM BANDOENG SAID TODAY THE SECOND WEST JAVA CONFERENCE HAD SPLIT INTO TWO FACTIONS--THOSE ADVOCATING IMMEDIATE ESTABLISHMENT OF AN AUTONOMOUS STATE IN WESTERN JAVA, AND THOSE WHO SEEK A PLEBISCITE FOR DETERMINING THE AREA'S FUTURE STATUS.

THE CONFERENCE CLOSES TOMORROW.

N858AES

BATAVIA, JAVA, DEC. 18-(AP)-THE U.S.NAVAL LIAISON OFFICE ANNOUNCED TODAY THAT CAPT. LINDSAY, COMMANDER OF THE AMERICAN NAVAL TANKER CACAPON, HAD DIED OF A HEART ATTACK TUESDAY NIGHT SHORTLY BEFORE THE SHIP ARRIVED AT BATAVIA. melena m

THE CACAPON WAS CARRYING FUEL FOR THE U.S.NAVY TRANSPORT RENVILLE, ABOARD WHICH DUTCH-INDONESIAN PEACE NEGOTIATIONS NOW ARE UNDER WAY IN BATAVIA HARBOR.

LINDSAY'S BODY WAS TRANSFERRED YESTERDAY TO THE RENVILLE PENDING INSTRUCTIONS FROM THE NAVY DEPARTMENT.

VS409AES

SYDNEY, AUSTRALIA, DEC. 18--(AP)--ROBERT COSGROVE, PREMIER OF TASMANIA, HAS RESIGNED FOLLOWING CHARGES BY ROAD TRANSPORT OPERATORS THAT HE ACCEPTED MONEY FROM THEM TO PREVENT NATIONALIZATION OF THEIR INDUSTRY.

A ROYAL COMMISSION 10 DAYS AGO AUTHORIZED THE INDICTMENT OF COSGROVE AND THE INDICTMENT IS EXPECTED. COSGROVE WAS EXPECTED TO BE ARRAIGNED SOMETIME NEXT WEEK. HE IS ACCUSED OF HAVING RECEIVED £5,400 ($17,388) FROM FOUR TRANSPORT SERVICE OPERATORS IN EXCHANGE FOR ASSURANCE THAT THE INDUSTRY WOULD NOT BE NATIONALIZED.

LABOR PARTY OBSERVERS ANTICIPATE THAT THE CRISIS OVER COSGROVE'S RESIGNATION WILL BE FOLLOWED BY AN ELECTION IN WHICH BANK NATIONALIZATION WILL BE THE ISSUE.

DEC 19

WILLIAM EDWARD BROOKER, WHO WILL SEE GOVERNOR SIR HUGH BINNEY TOMORROW, WAS EXPECTED TO BECOME THE NEW PREMIER. #

FOLO LONDON BEVIN

SYDNEY, AUSTRALIA, FRIDAY, DEC.19-(AP)-H.V.EVATT, AUSTRALIAN MINISTER OF EXTERNAL AFFAIRS, CALLED TODAY FOR A MEETING OF ALL THE ALLIED NATIONS TO WRITE A PEACE SETTLEMENT FOR GERMANY.

EVATT SAID THAT "POWER POLITICS" WAS RESPONSIBLE FOR FAILURE OF THE BIG FOUR FOREIGN MINISTERS TO REACH AGREEMENT ON THE GERMAN PROBLEM, WHICH HE DESCRIBED AS A "SERIOUS BUT NOT IRREPARABLE SETBACK."

HE SUGGESTED THAT THE WAY MIGHT BE CLEARED "FOR NEGOTIATION OF

A JUST PEACE ON DEMOCRATIC LINES" BY SUBMITTING THE WHOLE QUESTION TO THE UNITED NATIONS GENERAL ASSEMBLY.

EVATT SPOKE BEFORE A LUNCHEON MEETING OF THE UNITED NATIONS ASSOCIATION IN SYDNEY.

JP140AES

PRECEDE HAVANA DAY (270)

BUENOS AIRES, DEC.18-(AP)-FOREIGN MINISTER JUAN BRAMUGLIA SAID TODAY THE $5,000,000,00 (BILLION) SUGGESTED AS A POSSIBLE ARGENTINE CREDIT TO LATIN-AMERICAN NATIONS MEANT THE TOTAL ARGENTINE PRODUCTION THAT WOULD BE AVAILABLE FOR EXPORT IN THE NEXT FEW YEARS.

HE TOLD A NEWS CONFERENCE THE COUNTRY'S EXPORTS WOULD AMOUNT TO $1,500,000,000 (BILLION) THIS YEAR AND WERE EXPECTED TO REACH $2,000,000,000 (BILLION) NEXT YEAR. HE SAID WHAT HAD BEEN UNDERSTOOD AS A POSSIBLE CREDIT ACTUALLY MEANT THE TOTAL AID ARGENTINA COULD FURNISH A NEEDY WORLD.

SENATOR DIEGO LUIS MOLINARI, HEAD OF THE ARGENTINE DELEGATION TO THE INTERNATIONAL TRADE CONFERENCE IN HAVANA, TOLD REPORTERS TUESDAY ARGENTINA'S AID COULD BE A $5,000,000,000 CREDIT, BUT BRAMUGLIA SAID THIS FIGURE HAD BEEN OBTAINED BY TAKING THE TOTAL EXPORTABLE SURPLUS OF ARGENTINE PRODUCTS.

(IN HAVANA TODAY, MOLINARI TOLD A NEWS CONFERENCE HIS PLAN ENVISAGED A $5,000,000,000 MULTILATERAL BARTER DEAL TO ENABLE LATIN AMERICA TO BUILD UP PRODUCTIVE POWER.

("THE MARSHALL PLAN IS DEFICIENT FROM THE POINT OF VIEW OF THE ECONOMIC CAPACITY OF THE UNITED STATES XXX," HE SAID. "THEREFORE THE NECESSARY ECONOMIC DEVELOPMENT OF THIS CONTINENT MUST BE STUDIED SIMULTANEOUSLY WITH EUROPEAN AID SO THE CONTINENT WILL BE ABLE TO HELP OTHERS. XXX

("WHAT MUST BE DONE IMMEDIATELY IS TO BEGIN AID TO LATIN-AMERICAN ECONOMIC DEVELOPMENT TO INCREASE PRODUCTION. XXX ARGENTINA IS OFFERING AS A STARTING POINT COMPENSATED AND GRADUAL CREDITS UP TO $5,000,000,000."

(BY COMPENSATED CREDITS, HE SAID HE MEANT, FOR EXAMPLE, THAT IF A COUNTRY GETTING WHEAT AND BEEF FROM ARGENTINA COULD NOT SUPPLY ENOUGH FARM MACHINERY OR OTHER GOODS TO PAY FOR THE FOOD, ANOTHER COUNTRY WOULD HELP PAY IN RETURN FOR SOME GOODS FROM THE COUNTRY BENEFITING.

(BY GRADUAL CREDITS, HE SAID HE MEANT THEY WOULD BE SPREAD OVER FIVE YEARS.)

DEC 1947

JA1023PES

ITO (380)

HAVANA, CUBA, DEC. 18-(AP)-ARGENTINA'S CHIEF DELEGATE TO THE INTERNATIONAL TRADE CONFERENCE HERE SAYS HIS COUNTRY IS READY TO SUPPLY A MILLION TONS OF GRAIN A MONTH UNDER A FIVE BILLION DOLLAR, ARGENTINE-SPONSORED "MARSHALL PLAN" FOR LATIN AMERICA.

THE DELEGATE, DIEGO LUIS MOLINARI, TOLD A NEWS CONFERENCE LAST NIGHT HIS TUESDAY NIGHT ANNOUNCEMENT THAT ARGENTINA WAS READY TO EXTEND THE FIVE BILLION IN CREDITS WAS INTENDED TO APPLY ONLY TO LATIN AMERICAN COUNTRIES, NOT TO EUROPE.

"PUTTING MONEY INTO EUROPE NOW IS THE SAME THING AS THROWING MONEY INTO A BARREL WITHOUT A BOTTOM," HE SAID.

(IN BUENOS AIRES, FOREIGN MINISTER JUAN BRAMUGLIA SAID HE WOULD HOLD A NEWS CONFERENCE TODAY TO DISCUSS MOLINARI'S STATEMENTS. GOVERNMENT SOURCES SAID THEY DID NOT KNOW WHERE MOLINARI GOT THE FIVE BILLION DOLLAR FIGURE, BUT THAT HE MIGHT HAVE HAD IN MIND THE FACT THAT ARGENTINA'S PRESENT GRAIN CROP WOULD BE LARGE AND THAT MUCH OF IT WOULD BE SOLD ON CREDIT TO FOREIGN COUNTRIES.)

"ARGENTINA IS READY TO LEND $5,000,000,000 (BILLION) AND POSSIBLY MORE, PROVIDED WORLD PEACE AND QUIET CAN BE ACHIEVED FOR THE ECONOMIC DEVELOPMENT OF LATIN AMERICA," MOLINARI SAID LAST NIGHT.

"THIS MONEY WILL BE AVAILABLE IN GRADUAL AND COMPENSATED CREDITS TO CONSOLIDATE THE ECONOMY OF LATIN AMERICA. ARGENTINA IS READY NOW TO SUPPLY 1,000,000 (MILLION) TONS OF GRAIN PER MONTH UNDER OUR PLAN."

HE EMPHASIZED THAT THE PROPOSED PROGRAM WAS NOT TO BE INTERPRETED AS PART OF THE UNITED STATES' EUROPEAN RECOVERY PLAN SPONSORED BY SECRETARY OF STATE GEORGE C.MARSHALL.

MOST REPORTERS TUESDAY NIGHT UNDERSTOOD HIM TO SAY THE OFFER WAS TO BE CONSIDERED A PART OF THE MARSHALL PLAN.

AT THE TRADE CONFERENCE ITSELF, MEANWHILE, NEWS CENSORSHIP WAS EASED SOMEWHAT, AT LEAST IN SPIRIT. THE CONFERENCE'S GENERAL COMMITTEE ADOPTED A RESOLUTION LAST NIGHT SAYING:

"THE PRESIDENT OF THE CONFERENCE SHOULD INSTRUCT SUBCOMMITTEE CHAIRMEN TO MAKE FULL INFORMATION STATEMENTS AFTER EACH MEETING IN COLLABORATION WITH THE INFORMATION SERVICES OF THE SECRETARIAT."

REPORTERS ARE BARRED FROM THE SUBCOMMITTEE MEETINGS AND BASED THEIR COVERAGE ON INFORMATION SUPPLIED THEV BY UNITED NATIONS PRESS STAFF MEN. LAST SATURDAY THE GENERAL COMMITTEE GAVE SUBCOMMITTEE CHAIRMEN AUTHORITY TG EDIT REPORTS CONCERNING THEIR GROUPS.

DEC 1947

VS33IAES

SANTIAGO, CHILE, DEC. 18--(AP)--- POLICE SAID TODAY

LEO NAPU, A SOVIET CITIZEN, HAD BEEN EXPELLED FROM CHILE AND THAT

ANOTHER, EUGENIO SISKIN, HAD BEEN PLACED UNDER SURVEILLANCE.

THE CHARGE AGAINST NAPU WAS NOT SPECIFIED.

THE OFFICERS SAID SISKIN WAS FIRED FROM A JOB

WITH THE BRADEN COPPER COMPANY AT RANCAGUA, CHILE, THREE WEEKS AGO

WHEN RANCAGUA POLICE REPORTED HE WAS SUPPLYING COPPER PRODUCTION

DATA TO THE SOVIET EMBASSY IN SANTIAGO. HE WAS SUPERINTENDENT OF THE

SOCIAL WELFARE DEPARTMENT OF THE COMPANY.

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30.24- 14337

PANAMA, Panama, Dec. 18-(AP)-Funeral services will be tomorrow for First Lt. William S. Ward, 26, of (Flushing) New York City, killed in a plane crash in Jamaica Wednesday. The funeral will start at 9 a. m., Eastern Standard Time, in Corozal cemetery in the Canal Zone. The lieutenant's mother has flown here to attend. His group will fly over the cemetery with his customary position vacant. He was on his way from McGill Field, Fla., to Howard Field, C. Z., in a flight of seven jet planes when his x.17 p-80 fighter crashed in landing at Vernam Field, Jamaica. ##

WASHINGTON, DEC 18-(AP)-CHARLES A. GUY, TEXAS NEWSPAPER PUBLISHER, SAID TODAY THAT THE NURNBERG DENAZIFICATION TRIALS ARE NOW DOING MORE HARM THAN GOOD AND SHOULD BE WOUND UP.

GUY, OF THE LUBBOCK AVALANCHE-JOURNAL, WHO WAS ONE OF A GROUP OF EDITORS MAKING A MONTH STUDY OF CONDITIONS IN GERMANY UNDER AUSPICES OF THE ARMY, RETURNED TODAY.

DEC 1947

"I THINK THAT EVERYBODY IS GETTING PRETTY TIRED OF THE TRIALS," HE TOLD A REPORTER.

"WE HAVE GOTTEN NEARLY ALL THE OUT AND OUT NAZIS, PARTICULARLY THE LEADERS. WE'RE DEFEATING OUR OWN ENDS TO KEEP PICKING ON THE LITTLE FELLOW. HE GETS TWO YEARS FOR PLEADING GUILTY. THE RICH NAZI HIRES LAWYERS AND GETS OFF WITH A $1,000 FINE.

"THE RESULT IS, A LOT OF GERMANS ARE BEGINNING TO THINK THAT DEMOCRACY IS A FUNNY THING."

HE PREDICTED THAT THE TRIALS WOULD BE BROUGHT TO AN END WITHIN THREE TO SIX MONTHS.

GUY WAS HIGH IN HIS PRAISE OF THE AMERICAN OCCUPATION FORCES, AND PAID PARTICULAR TRIBUTE TO THE G.I.'S WHO "NOW HAVE THAT SPIT AND POLISH LOOK AND ARE TAKING THEIR JOBS SERIOUSLY."

"I'M CONVINCED NOW THAT WHAT WE OUGHT TO DO IS OCCUPY GERMANY FOR THE NEXT 50 YEARS," HE ADDED. "BUT I KNOW THAT'S WHAT WE WON'T DO.

"I THINK THAT WE CAN IMPROVE THINGS SOMEWHAT BY SPENDING MORE MONEY ON EDUCATION. X X X WE WERE TOLD THAT EVEN 40 PERCENT OF THE HITLER YOUGH COULD BE REDEEMED IF WE WENT ABOUT IT THE RIGHT WAY."

PF555PES

(360) TRUMAN ROUNDUP

WASHINGTON, DEC. 18-(AP)-PRESIDENT TRUMAN ISN'T AT ALL DOWNHEARTED ABOUT THE PROSPECTS FOR PEACE, HE SAID TODAY, DESPITE FAILURE OF THE LONDON FOREIGN MINISTERS CONFERENCE.

EVENTUALLY THERE WILL BE PEACE IN THE WORLD, MR.TRUMAN TOLD A NEWS CONFERENCE.

HE SAID THAT SECRETARY OF STATE MARSHALL WOULD GIVE A FULL REPORT ON THE LONDON CONFERENCE TOMORROW NIGHT OVER THE RADIO. THE LONDON MEETING OF AMERICAN, BRITISH, FRENCH AND RUSSIAN MINISTERS FAILED TO AGREE ON EUROPEAN PEACE PROBLEMS.

A REPORTER NOTED THIS FAILURE AND ASKED THE PRESIDENT WHETHER IT MIGHT NOT BE WISE FOR HIM AND MARSHAL STALIN OF RUSSIA TO CONFER PERSONALLY.

MR.TRUMAN SAID HE WOULD BE VERY HAPPY TO SEE STALIN IN WASHINGTON IF HE WANTS TO COME HERE. HE SAID HE HAD NOT HEAD FROM STALIN LATELY. ASKED WHETHER HE WOULD MEET STALIN ELSEWHERE, HE REPEATED THAT HE WOULD BE GLAD TO SEE HIM IN WASHINGTON, PERIOD.

THE CONFERENCE WAS MOSTLY ABOUT DOMESTIC MATTERS. IN THE COURSE OF QUESTIONS AND ANSWERS, MR.TRUMAN:

1. COMMENDED SECRETARY OF AGRICULTURE ANDERSON FOR REFUSING TO GIVE THE SENATE APPROPRIATIONS COMMITTEE, IN SECRET, AN OFFICIAL LIST OF HEAVY SPECULATORS IN GRAIN. HE SAID SUCH A LIST SHOULD BE MADE PUBLIC, THROUGH ACTION OF CONGRESS AUTHORIZING ANDERSON TO RELEASE IT.

2. SAID THAT SENATOR MORSE (R-ORE) HAD COMMENTED QUITE APTLY IN SAYING THAT THE "VOLUNTARY AGREEMENTS" PLAN OF THE REPUBLICANS TO FIGHT INFLATION WAS JUST A MEANS OF PASSING THE BUCK TO THE PRESIDENT.

3. TOLD A QUESTIONER HE DOES NOT THINK A $7,000,000,000 (BILLIONS) FEDERAL BUDGET SURPLUS WOULD JUSTIFY A TAX CUT. HE SAID HE WOULD DISCUSS TAXES IN DETAIL IN HIS STATE OF THE UNION MESSAGE TO CONGRESS NEXT MONTH. DEC 1947

4. REPORTED THAT 414 PERSONS WERE ACTUALLY OUT OF WORK BECAUSE OF THE TEMPORARY DISTILLERY HOLIDAY. HE RECALLED WITH A SMILE THAT THERE HAD BEEN ESTIMATES THAT 50,000 OR MORE WOULD LOSE THEIR JOBS.

5. ANNOUNCED THE APPOINTMENT OF A LABOR-MANAGEMENT COUNCIL TO ADVISE THE DIRECTOR OF THE MEDIATION AND CONCILIATION SERVICE.

6. SAID THAT THERE IS NOT ANY TRUTH IN WHAT A QUESTIONER CALLED REPORTS THAT THE UNITED STATES WOULD ABANDON A TREATY BY WHICH THE PHILIPPINES GET PREFERENTIAL TARIFF TREATMENT.

RW620PES

(500UP) WASHINGTON,DEC. 18-(AP)-SECRETARY OF THE ARMY ROYALL WROTE REP.PLOESER (D-MO) TODAY THAT THE DEPARTMENT JUSTICE IS INVESTIGATING REPORTS THAT MARTIN J.MONTI, A FORMER SECOND LIEUTENANT WHO IS NOW AN ARMY ENLISTED MAN, ENGAGED IN GERMAN PROPAGANDA ACTIVITIES IN THAT COUNTRY DURING THE WAR.

THE UNUSUAL CASE OF MONTI, ROYALL WROTE, INCLUDES A COURTMARTIAL CONVICTION FOR THEFT OF AN AIR FORCES B-38 FIGHTER PLANE AND FOR BEING ABSENT WITHOUT LEAVE FROM HIS POST AT KARACHI,INDIA.

PLOESER, MAKING THE LETTER PUBLIC AT A NEWS CONFERENCE, TOLD REPORTERS THAT MONTI LEFT HIS POST IN INDIA, TOOK THE PLANE IN ITALY AND CRASH-LANDED IT IN GERMANY.

THE CONGRESSMAN ALSO SAID THAT MONTI HAD TALKED TO ONE OF HIS STAFF MEMBERS AND TOLD HIM THAT HE SERVED THE GERMANS DUE TO FEAR FOR HIS LIFE AND TO OBTAIN INFORMATION FOR THE ALLIED ARMED FORCES.

THE COURTMARTIAL, ROYALL SAID, SENTENCED MONTI TO DISMISSAL FROM THE SERVICE AND IMPRISONMENT OF 15 YEARS.

AFTER MONTI HAD BEEN RETURNED TO THIS COUNTRY AS A PRISONER, PLOESER AND OTHERS ASKED A REVIEW OF THE CASE, ROYALL ADDED, "SETTING FORTH THE GOOD REPUTATION OF HIS FAMILY (WHO RESIDE IN YOUR DISTRICT) AND THE RECORDS OF HIS BROTHERS IN THE ARMED SERVICES, AND ALSO PRESENTING MONTI'S CONTENTION THAT HIS CONDUCT WAS DUE TO HIS OVER-ANXIETY TO GET INTO THE FIGHTING ZONE."

AS A RESULT, ROYALL SAID, "THE CASE WAS CAREFULLY CONSIDERED" AND THE "UNEXECUTED PORTION OF MONTI'S SENTENCE WAS ORDERED REMITTED ON CONDITION THAT HE ENLIST IN THE ARMY. THIS HE DID ON FEBRUARY 11, 1946. AT THAT TIME NO FACTS HAD BEEN PRESENTED INDICATING THAT MONTI WAS GUILTY OF ANY CRIME OR MISCONDUCT OTHER THAN THAT WITH WHICH HE HAD BEEN CHARGED."

A126WX DEC 1947

THE SECRETARY CONTINUED:

"SOME TIME AFTER MONTI ENLISTED, INFORMATION REACHED THE WAR DEPARTMENT INDICATING THAT DURING HIS PERIOD OF ABSENCE WITHOUT LEAVE, MONTI HAD PARTICIPATED IN GERMAN PROPAGANDA BROADCASTS TO AMERICAN TROOPS AND HAD PERFORMED OTHER SERVICES FOR THE GERMAN GOVERNMENT AND THE GERMAN ARMY. THERE WERE POSSIBLE LEGAL OBSTACLES TO HIS TRIAL BY MILITARY COURT MARTIAL. SO THE CASE WAS REFERRED BY THE WAR DEPARTMENT TO THE OFFICE OF THE ATTORNEY GENERAL ON APRIL 16, 1947. SINCE THAT DATE THE CASE HAS BEEN UNDER LEGAL AND DIFFICULT FACTUAL INVESTIGATION IN WHICH THE WAR DEPARTMENT AND THE DEPARTMENT OF THE ARMY HAVE COOPERATED WITH THE DEPARTMENT OF JUSTICE.

"ON MAY 7, 1947, YOU FORWARDED TO THE SECRETARY OF WAR A SUMMARY OF A CONVERSATION BETWEEN A MEMBER OF YOUR OFFICE STAFF AND MONTI, IN WHICH MONTI STATED THAT HE HAD PARTICIPATED IN GERMAN BROADCASTS TO AMERICANS DURING THE WAR. THIS ADDITIONAL INFORMATION FROM YOU AS TO AN ADMISSION BY MONTI WAS IMMEDIATELY FORWARDED BY THE WAR DEPARTMENT TO THE ATTORNEY GENERAL. X X X

"IN MAY WHEN YOU TR

NSMITTED THIS ADDITIONAL INFORMATION TO THE WAR DEPARTMENT, YOU HAD NOT BEEN MADE AWARE BY THIS DEPARTMENT OF ANY NEW ACTION IN THE MONTI CASE."

VX-MD1146PES

WASHINGTON,DEC. 18-(AP)-REP.SMITH (R-WIS) TOLD THE HOUSE TODAY THE UNITED NATIONS--AS A RESULT OF ITS ASSEMBLY VOTE NOV. 29 FOR THE PARTITION OF PALESTINE-- "IS AS DEAD AS PROHIBITION."

"EVEN MAJOR SURGERY CANNOT REVIVE IT (THE UNITED NATIONS)," SMITH ASSERTED.

HE SAID "RELIABLE REPORTS" STATE THAT "INTENSE PRESSURE" WAS APPLIED ON THREE SMALL NATIONS "BY THE UNITED STATES MEMBERS AND ALSO BY OFFICIALS AT THE HIGHEST LEVELS IN WASHINGTON" TO VOTE FOR PARTITION. SMITH ADDED:

"I PROPOSE TO OFFER (WHEN CONGRESS RECONVENES IN 1948) A RESOLUTION WHICH WOULD AUTHORIZE A FULL AND COMPLETE INVESTIGATION OF THE ACTS OF PUBLIC OFFICIALS AND PRIVATE CITIZENS IN THIS LOBBY FOR THE PARTITION OF PALESTINE."

HE SAID HAITI, LIBERIA AND THE PHILIPPINES WERE "PRESSURED" INTO CHANGING AND THEIR THREE VOTES PROVIDED THE MARGIN FOR APPROVAL.

TO CARRY OUT THE PARTITION, SMITH ASSERTED, PROBABLY WILL REQUIRE FORCE.

HE SAID THE UNITED STATES AND RUSSIA WOULD BE THE ONLY MAJOR COUNTRIES THAT COULD PROVIDE TROOPS FOR THIS PURPOSE AND ADDED:

"IF WE SEND AMERICAN TROOPS TO ENFORCE PARTITION, AT THE REQUEST OF THE UN, THEN RUSSIA WILL DO LIKEWISE.

"ONCE RUSSIA SENDS ITS MILITARY MEN TO PALESTINE NO FORCE ON THIS EARTH, SHORT OF WAR, CAN EXPEL THEM FROM IT. X X X

"I SUBMIT THAT THIS IS A REAL THREAT TO OUR NATIONAL SECURITY, MORE SO THAN THE PRESENT SITUATION IN TURKEY OR GREECE. WE HAVE BEEN LED DOWN THE ROAD TO ANOTHER WAR."

VX910PES DEC 1947

PHILADELPHIA,DEC.18-(AP)-MAJ.GEN.WILLIAM J.DONOVAN, WARTIME DIRECTOR OF THE OFFICE OF STRATEGIC SERVICES, TONIGHT URGED AN EMBARGO OF SHIPMENTS OF SCARCE AMERICAN MATERIALS AND MACHINERY TO RUSSIA.

SPEAKING AT THE OVERBROOK LECTURE CLUB, THE FORMER OSS HEAD DECLARED "THE UNITED STATES WILL NEVER GET PEACE BY APPEASEMENT AND IT IS UP TO THE PUBLIC TO PUT AN END TO IT."

HE ADDED THAT "THE PUBLIC MUST PRESSURE THE GOVERNMENT INTO REVEALING THE NAMES OF THE CLIQUES IN WASHINGTON OKAYING SHIPMENTS OF MATERIALS TO RUSSIA, MATERIALS WHICH COULD BE USED BY OUR FRIENDS ABROAD. RUSSIIA IS WAGING A COLD WAR AGAINST US BUT IS NOT READY NOW FOR A REAL WAR."

GENERAL DONOVAN SAID "THE COMMUNIST FIGHT IN FRANCE AND IN ITALY HAS BEEN WON BY THE ITALIAN AND FRENCH GOVERNMENTS BUT THE DECISION IS FINAL IN NEITHER COUNTRY AND, SO FAR AS THE COMMUNISTS ARE CONCERNED MAY BE LIKENED TO A RECONNAISSANCE IN FORCE, AND THEY WILL NOW REGROUP FOR FURTHER ACTION."

EJ1257AES NM

30.24- 14339

CHICAGO,DEC.18-(AP)-THE CHICAGO TRIBUNE SAYS THE STATE DEPARTMENT REVEALED TODAY THAT AMERICAN WORKMEN ON THE TRANS-ARABIAN OIL LINE HAVE BEEN EVACUATED BY AIR ALONG A 600 MILE FRONT "AS A RESULT OF THE SPREAD THROUGHOUT THE MIDDLE EAST OF ANTI-AMERICAN FEELING STEMMING FROM THE PROPOSED PARTITION OF PALESTINE."

THE TRIBUNE, IN A DISPATCH FROM WASHINGTON, SAID THAT WORK ON THE PIPELINE FROM SAUDI ARABIA TO THE MEDITERRANEAN "IS ALMOST AT A COMPLETE STANDSTILL AT ITS WESTERN END."

"OFFICIALS SAID THE PROSPECTIVE CURTAILMENT IN OIL SHIPMENTS TO EUROPE AND THE UNITED STATES FROM THE MIDDLE EASTERN FIELDS THREATENED NOT ONLY 'THE ENTIRE EUROPEAN RECOVERY PROGRAM AND THE MARSHALL PLAN,' BUT AMERICAN SECURITY AS WELL. X X X X

"THEY SAID AMERICAN CREWS IN SYRIA AND TRANS-JORDAN WERE EVACUATED BY AIR SEVERAL DAYS AGO."

DEC 1947

OFFICIALS REACHABLE TONIGHT AT THE STATE DEPARTMENT SAID THEY HAD NO KNOWLEDGE OF ANY TRANSFER OF AMERICAN WORKMEN.

MD1211AES

NEW YORK, DEC 18-(AP)-A 22-YEAR-OLD RUSSIAN GIRL WHO SERVED IN A LABOR CAMP IN GERMANY AFTER THE GERMANS OVERRAN HER NATIVE KALININ IN 1943 ARRIVED BY PLANE TODAY FROM FRANKFURT, GERMANY, AND SAID SHE WAS TO BE MARRIED TO RAYMOND RUSNAK, A FORMER INFANTRYMAN, WHO LIVES IN (5507 ITHACA COURT) CLEVELAND, OHIO.

THE GIRL, JANINA MAKOWSKAIA, SAID SHE MET RUSNAK IN MOENSCHEHOF, NEAR KASSEL, GERMANY, WHERE SHE WAS IN A DISPLACED PERSONS CAMP.

THE RUSSIAN GIRL, ONE OF THE FEW TO COME TO THIS COUNTRY TO MARRY FORMER G.I.'S, WAS TO LEAVE NEWARK, N.J., FOR CLEVELAND LATER BY PLANE.

V1006PES

NIGHT LEAD ITALIAN FIANCEE (150)

NEW YORK, DEC.18-(AP)-JOSEPH COLOSIMO, 27-YEAR-OLD EX-MARINE SERGEANT FROM DAYTON, OHIO, TOOK ONE LOOK TODAY AT THE ITALIAN GIRL HE WOOED BY MAIL AND ANNOUNCED THAT THEIR MARRIAGE WOULD DEFINITELY TAKE PLACE AS SCHEDULED.

COLOSIMO'S GOT HIS FIRST LOOK AT HIS FIANCEE, MARIA GUERRIERI, 24, OF CUTRO, ITALY, ON A PIER WHERE SHE HAD WAITED FOR SEVERAL HOURS AFTER HER ARRIVAL ON THE LINER VULCANIA.

THE CUPID IN JOSEPH AND MARIA'S ROMANCE WAS ANTHONY COLOSIMO, JOSEPH'S STEPFATHER AND MARIA'S UNCLE, WHO VISITED IN ITALY LAST MAY AND SHOWED THE GIRL PICTURES OF THE COLOSIMO FAMILY.

MARIA SAID SHE "FELL IN LOVE" WITH JOSEPH'S PICTURE, AND HER UNCLE PROMOTED A CORRESPONDENCE. JOSEPH SAID HE DECIDED TO ASK MARIA TO MARRY HIM AFTER SHE HAD SENT HIM HER PICTURE.

THE COUPLE POSED FOR PHOTOGRAPHERS, BUT THE BRIDEGROOM-TO-BE SAID HE WOULDN'T KISS HIS FIANCEE--SHE WAS TOO EMBARRASSED.

HE SAID THEY WOULD LEAVE FOR DAYTON BY TRAIN TONIGHT, AND WOULD BE MARRIED "SOON."

JT529PES

NEW YORK, DEC. 18-(AP)-A 5,000,000-POUND "FRIENDSHIP" FOOD CARGO BOUND FOR ITALY WAS DESCRIBED BY GOVERNOR THOMAS E.DEWEY TODAY AS A "TOKEN AND A PLEDGE OF OUR PURPOSE IN HELPING THE PEOPLE OF ITALY TO REGAIN THEIR RIGHTFUL PLACE IN THE FAMILY OF NATIONS.

HE SPOKE AT CEREMONIES RE-CHRISTENING AS THE S.S. FRIENDSHIP CARGO THE VESSEL WHICH WILL CARRY THE FOOD OVERSEAS. THE VESSEL, ORIGINALLY THE S.S.HOOSICE STATE, IS SCHEDULED TO SAIL TOMORROW MORNING FOR GENOA--THE SECOND "FRIENDSHIP" CARGO SENT TO ITALY.

DECLARING THAT THE ITALIAN PEOPLE WERE UNDER "CONSTANT ATTACK" FROM COMMUNIST FORCES, DEWEY SAID THAT RECENT COMMUNIST EFFORTS TO SEIZE CONTROL HAD "FORTUNATELY" BEEN DEFEATED.

"BUT THE STRUGGLE IS NOT OVER," HE ADDED. "THE DANGER IS AVERTED ONLY FOR THE TIME BEING. THE LEFT-WING REVOLUTIONARIES ARE ONLY LYING BACK, WAITING FOR THE NEXT CHANCE. ECONOMIC DISTRESS LEADING TO HUNGER AND NUMEROUS OTHER HARDSHIPS INEVITABLY CREATES A FERTILE FIELD FOR THEIR INTRIGUES AND POLICY OF DIRECT ACTION. THEY LIVE ON HUNGER, CONFUSION AND FEAR THEY THEMSELVES CREATE. BUT THEY CAN BE, THEY WILL BE DEFEATED. THE HUMAN SPIRIT HAS SURVIVED TRIALS IN RECENT YEARS. IT WILL NOT BE CRUSHED NOW."

THE FOOD-LADEN VESSEL WAS RE-CHRISTENED BY MRS.ALBERT TARCHIANI, WIFE OF THE ITALIAN AMBASSADOR TO THE UNITED STATES, WHO BROKE A BOTTLE OF LAKE SUCCESS WATER ON THE BRIDGE OF THE SHIP.

THE SHIP IS THE THIRD TO BE DISPATCHED TO EUROPE LOADED WITH FOOD GATHERED IN THE FRIENDSHIP TRAIN TOUR. ITS CARGO IS WORTH AN ESTIMATED $3,500,000. OF THE TWO PREVIOUS SHIPS, ONE WENT TO FRANCE THE OTHER TO ITALY.

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Lake Success add rv comment

DEC 1947

OSBORN SAID HE DID NOT SEE ANY POSSIBILITY OF SETTING UP SUCH AN AUTHORITY WITHOUT RUSSIAN PARTICIPATION. BUT HE SAID THAT THE DELEGATES MUST MAKE EVERY EFFORT TO WRITE A TREATY.

THE RUSSIA DELEGATION WAS SILENT AS THE MEETING NEARED, BUT THERE WAS NO CHANGE IN THE FUNDAMENTAL DIFFERENCES.

RUSSIA WANTS A PACT OUTLAWING THE ATOMIC BOMB IMMEDIATELY AND A SECOND PACT, TO BE NEGOTIATED LATER, SETTING UP CONTROLS. SOME DELEGATES HAVE OBJECTED THAT THEY COULD WORK ON THIS SECOND PACT FOR YEARS AND THE U.S. HAS SAID THE RUSSIAN PLANS DO NOT CONTAIN SUFFICIENT SAFEGUARDS FOR THIS COUNTRY.

THE UNITED STATES AND THE COMMISSION MAJORITY WANT ONE COMPLETE ATOMIC TREATY SETTING UP CONTROLS, OUTLAWING ATOMIC BOMBS, AND PROVIDING FOR THE U.S. TO GIVE UP ITS ATOMIC SECRETS STEP BY STEP AS SAFEGUARDS ARE ESTABLISHED. IT ALSO OPPOSES ANY VETO ON PUNISHMENT OF ATOMIC VIOLATORS. RUSSIA HAS TURNED DOWN THE U.S. PLAN AND CHARGED THE U.S. WITH ATTEMPT TO SET UP A WORLD MONOPOLY.

(EDS: A NEW TOP IS EXPECTED AROUND 11:30 A.M. E.S.T. OR SOON THEREAFTER).

M242AES

LAKE SUCCESS--SECOND ADD U.N. PALESTINE XXX READY.

LIE SAID HE HAD RECEIVED NO COMMUNICATION FROM THE BRITISH GOVERNMENT AS TO A DATE ON WHICH THE COMMISSION WOULD BE ADMITTED TO PALESTINE. BRITISH DELEGATE SIR ALEXANDER CADOGAN, HOWEVER, HAS INFORMED LIE HE WAS ANXIOUS TO CONSULT WITH THE COMMISSION AS SOON AS POSSIBLE ON ARRANGEMENTS.

ASKED WHETHER HE HAD RECEIVED ANY PROTESTS FROM THE JEWISH AGENCY FOR PALESTINE OVER BRITAIN'S POSITION IN THE PRESENT HOLY LAND DISORDERS, LIE REPLIED "NO."

LIE SAID HE PLANNED TO LEAVE FOR EUROPE JAN.9--TWO DAYS AFTER THE INITIAL MEETING OF THE PALESTINE COMMISSION--TO MAKE HIS SURVEY OF POSSIBLE SITES FOR THE 1948 GENERAL ASSEMBLY MEETING.

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DEC 1947

End December 18, 1947

DEC 1947

30.24- 14341

Truman Asks 4-Yr., 17-Billion Europe Aid; Congress Votes 540 Millions, Adjourns; Marshall Says Russia Balks Lasting Peace

TRUMAN PROPOSES 17 BILLION OUTLAY FOR EUROPEAN AID

Divided Congress Hears Plea for Largest Peacetime Fund Ever Asked (N)

COVERS 4-YEAR PERIOD

First Congressional Comment Foreshadows Nationwide Controversy.

WASHINGTON, Dec. 19—(AP) President Truman asked a divided Congress today to vote $17,000,000,000 in the next four and a quarter years for the building of a Europe strong enough to resist "totalitarian aggression" and preserve "the civilization in which the American way of life is rooted."

This greatest relief and rehabilitation project in world history, calling for the largest peacetime expenditure ever asked of Congress, was detailed by Mr. Truman six months after Secretary of State Marshall first proposed it and three months after 16 European countries pledged their combined efforts to make it work.

First congressional comment on the "Marshall Plan" ar[illegible] to foreshadow nationwide controversy over details of the program, if not over the basic proposals, between now and January 6 when Congress reassembles for its regular session.

Taft Voices Opposition

Senator Taft (R-Ohio), chairman of the Senate Republican policy committee, came out flatly against pledging aid for as long a period as the President asked, and said assistance should be authorized on a year-to-year basis.

"I don't think Congress should commit itself in advance to any four-year program," Taft told a reporter. Senator Ball (R-Minn) said it would be "foolhardy" to guarantee $17,000,000,000.

Senator Barkley (D-Ky), minority leader, described Mr. Truman's figure as "conservative," however, and said he hoped that "after giving it serious consideration Congress will adopt the plan without undue delay and without material change."

In Chicago, Sen. Lucas (D-Ill), minority whip, reiterating his support of the plan, declared: "No Congress can bind a future congress, but it could lay down a four year plan, and if the 81st Congress wanted to repudiate it, it could.

"I am confident, however, that we must take the gamble on rehabilitating these 16 nations who want to cooperate with us on world recovery."

The Republican leader, Senator White of Maine, said he expected the President's figure "will be pretty substantially sustained, even if reluctantly."

Warns of Red Sabotage

In a 9,000-word message read separately to each house, Mr. Truman warned that "the Communists" will try to sabotage the recovery of the 16 countries, along with Western Germany, for which he asked aid.

"If Europe fails to recover," the President said, "the peoples of these countries might be driven to the philosophy of despair—the philosophy which contends that their basic wants can be met only by the surrender of their basic rights to totalitarian control.

"Such a turn of events would constitute a shattering blow to peace and stability in the world.

"It might well compel us to modify our own economic system and to forego, for the sake of our own security, the enjoyment of many of our freedoms and privileges."

The president asked Congress to authorize the $17,000,000,000 outlay—on top of more than $15,000,000,000 already devoted to foreign aid since the war ended—as "a major step in our nation's quest for a just and lasting peace."

With his message Mr. Truman submitted a bill to create the entire program. It sets up a new, largely Independent Economic Cooperation Administration which would, however, be responsible to the secretary of state in matters involving foreign policy.

The agency would be headed by a $20,000-a-year administrator, appointed by the President with Senate approval. He would be assisted by a $17,500-a-year deputy and a $25,000-a-year "roving ambassador" to supervise the program abroad.

men against "totalitarian pressures."

Mr. Truman proposed that this vast sum be invested over four and a quarter years as "a major step in our nation's quest for a just and lasting peace."

As the first installment he asked for authority to spend $6,800,000,000 in the first fifteen months. His message outlining the largest spending plan in the nation's peacetime history went to Congress in the closing hours of its special session. Mr. Truman urged swift action when the regular session starts in January, so the recovery program can begin April 1.

"Further Incitements"

He predicted that the "determined opposition" already announced by European Communists will result in further incitements to strike "for the purpose of bringing chaos in the hope that it will pave the way for totalitarian control."

Even American security and the American way of life are at stake, the Chief Executive declared.

He asked Congress to tip its "grave and significant decision" in favor of the "Marshall plan" to finish a job on which he said $15,000,000,000 already has been spent since the war ended. The decision, he said, will:

"Determine in large part whether the free nations of the world can look forward with hope to a peaceful and prosperous future as independent states, or whether they must live in poverty and in fear of selfish totalitarian aggression."

241-Page Analysis

Along with his message, the President forwarded to Congress a bill to authorize the $17,000,000,000 expenditure and set up the machinery for carrying out the long-range recovery program. He sent along, too, a 241-page analysis prepared by experts from dozens of Federal agencies.

To manage the program, Mr. Truman wants to appoint a $20,000-a-year administrator with broad powers. There would be a deputy drawing $17,500. And to run the European end of the show, there would be a roving ambassador making $25,000 a year.

In addition, the administrator would have as his top assistants ten men making up to $15,000 and 50 more making as much as $10,000.

House-Unit Proposal

However, instead of one-man control of the program, a special House committee on foreign aid already has proposed an eight-man board, so the Truman proposal may be in for trouble on that score.

The President said that big as the cost will be, it is only five per cent of the cost of the war and "less than three per cent of our national income during the life of the program."

"As an investment toward the peace and security of the world and toward the realization of hope and confidence in a better way of life for the future," he declared, "this cost is small indeed."

Mr. Truman said he was recommending the program to Congress "in full confidence of its wisdom and necessity as a major step in our nation's quest for a just and lasting peace."

"Totalitarian Pressure"

As a joint undertaking of the United States and a group of European countries, he said, the program "is proof that free men can effectively join together to defend their free institutions against totalitarian pressures, and to promote better standards of life for all their peoples."

As outlined in the documents sent to Congress, "much" of the aid would be in the form of gifts, some would be in loans.

There was no breakdown on how the $17,000,000,000 would be split among the various countries. There was no estimate, either, of how much the United States might get back.

Deals are supposed to be worked out for getting from the receiving countries supplies of scarce, strategic materials to store up in the United States. But for these, this country would pay cash.

GOP Price View

Both in quantity and in cost to the United States the European nations would get less than they requested when they met in Paris last fall and drew up a list of needs. Already prices are up on the things they asked for.

Republicans in Congress, also concerned about higher prices, have been talking of slashing the Marshall plan total with the idea that prices at home would come down if less money were spent to buy things for Europe.

Secretary of State Marshall figured last month that it would take $16,000,000,000 to $20,000,000,000 to hoist Europe back to her feet. As the program finally reached Congress it was only a little less.

The $17,000,000,000 is a round number.

West Reich Funds

Depending chiefly on whether

Truman Seeks 17 Billion For Aid To Europe In Plea To Congress (P)

Washington, Dec. 19 (AP)—President Truman asked Congress today to commit America to a $17,000,000,000 European recovery program and a "bold" defense of free

DEC 1947

DEC 1947

Truman's Message to Congress Outlining Marshall Plan for European Recovery

WASHINGTON, Dec. 19 (UP)— President Truman's message to Congress on the Marshall plan:

To the Congress of the United States:

A principal concern of the people of the United States is the creation of conditions of enduring peace throughout the world. In company with other peace-loving nations, the United States is striving to insure that there will never be a World War III. In the words of the charter of the United States, we are "determined to save succeeding generations from the scourge of war."

We seek lasting peace in a world where freedom and justice are secure and where there is equal opportunity for the economic well-being of all peoples.

To this end, the United States played a leading role in the founding of the United Nations. We have supported that organization at all times to the best of our ability, and we have advanced a number of proposals for increasing its effectiveness in maintaining peace and security and in establishing the economic, social and moral foundations of peace.

We are working in the United Nations towards the elimination and control of armaments and, in a step without precedent or parallel, have offered to place our most powerful weapon under international control, provided that other nations agree to effective and enforceable safeguards against its use for destructive purposes.

The United States, in the conviction that a prerequisite to peace in the future is the just settlement of past differences, has labored to obtain fair and workable treaties of peace for former enemy states so that they may resume their places in the family of nations.

The United States has taken the lead in world-wide efforts to promote industrial and agricultural reconstruction and a revival of world commerce, for we know that enduring peace must be based upon increased production and an expanding flow of goods and materials among nations for the benefit of all.

Since the surrender of the Axis powers we have provided more than $15,000,000,000 in the forms of grants and loans for aid to victims of the war, to prevent starvation, disease and suffering; to aid in the restoration of transportation and communications, and to assist in rebuilding war-devastated economies. This assistance has averted stark tragedy and has aided progress towards recovery in many areas of the world.

In these and many other ways the people of the United States have abundantly demonstrated their desire for world peace and the freedom and well-being of all nations.

We must now make a grave and significant decision relating to our further efforts to create the conditions of peace. We must decide whether or not we will complete the job of helping the free nations of Europe to recover from the devastation of the war. Our decision will determine in large part the future of the people of that continent. It will also determine in large part whether the free nations of the world can look forward with hope to a peaceful and prosperous future as independent states or whether they must live in poverty and in fear of selfish totalitarian aggression.

Interest of the United States in European Recovery

It is of vital importance to the United States that European recovery be continued to ultimate success. The American tradition of extending a helping hand to people in distress, our concern for the building of a healthy world economy which can make possible ever-increasing standards of living for our people and our overwhelming concern for the maintenance of a civilization of free men and free institutions, all combine to give us this great interest in European recovery.

The people of the United States have shown, by generous contributions since the end of hostilities, their great sympathy and concern for the many millions in Europe who underwent the trials of war and enemy occupation. Our sympathy is undiminished, but we know that we cannot give relief indefinitely, and so we seek practical measures which will eliminate Europe's need for further relief.

Considered in terms of our own economy, European recovery is essential. The last two decades have taught us the bitter lesson that no economy, not even one so strong as our own, can remain healthy and prosperous in a world of poverty and want.

In the past the flow of raw materials and manufactured products between western Europe, Latin America, Canada and the United States has integrated these areas in a great trading system. In the same manner Far Eastern exports to the United States have helped pay for the goods shipped from Europe to the Far East. Europe is thus an essential part of a world trading network. The failure to revive fully this vast trading system, which has begun to function again since the end of the war, would result in economic deterioration throughout the world. The United States, in common with other nations, would suffer.

Our deepest concern with European recovery, however, is that it is essential to the maintenance of the civilization in which the American way of life is rooted. It is the only assurance of the continued independence and integrity of a group of nations who constitute a a bulwark for the principles of freedom, justice and the dignity of the individual.

The economic plight in which Europe now finds itself has intensified a political struggle between those who wish to remain free men living under the rule of law and those who would use economic distress as a pretext for the establishment of a totalitarian state.

The next few years can determine whether the free countries of Europe will be able to preserve their heritage of freedom. If Europe fails to recover, the peoples of these countries might be driven to the philosophy of despair—the philosophy which contends that their basic wants can be met only by the surrender of their basic rights to totalitarian control.

Such a turn of events would constitute a shattering blow to peace and stability in the world. It might well compel us to modify our own economic system and to forgo, for the sake of our own security, the enjoyment of many of our freedoms and privileges.

It is for these reasons that the United States has so vital an interest in strengthening the belief of the people of Europe that freedom from fear and want will be achieved under free and democratic governments.

Origins of the European Recovery Program

The end of the fighting in Europe left that continent physically devastated and its economy temporarily paralyzed. The immediate problem was to prevent widespread starvation and disease and to make a start toward economic recovery. In the

prices go up or down, Government experts estimate the actual cost to this country might dip as low as $15,111,000,000 or climb as high as $17,758,000,000, not including $822,000,000 for Western Germany which the Administration is asking separately for fifteen months.

Help from the International Bank, private financing, other Western Hemisphere nations and additional sources might up the total of outside assistance to between $20,024,000,000 and $22,685,000,000.

The most the sixteen nations on the receiving end asked was $22,440,000,000 for an even four years.

Self-Help Guarantee

These nations, which would guarantee to help themselves and each other in order to get a hand from Uncle Sam, are Austria, Belgium, Britain, Denmark, Eire, France, Italy, Greece, Iceland, Luxembourg, Netherlands, Norway, Portugal, Sweden, Switzerland and Turkey.

They took their cue from Marshall, who in a speech at Harvard University last June outlined his plan for throwing American dollars behind Europe's efforts to help herself.

Taking their cue from Moscow, eastern European nations stayed out. But Mr. Truman left a way open for any of them—even Russia—to get into the game if they will accept the rules.

Emphasis On Europe

He said, too, that while the emphasis now is on helping Europe, the United States is not forgetting the importance of economic cooperation with her Latin-American neighbors. And next year, he said, Congress will be handed a plan for economic help for China.

The President did not mention Russia or her satellites by name. But he let them know he doesn't like the way they have been acting.

He said the purposes of the Marshall plan are "in complete harmony" with the purposes of the United Nations Charter, while:

"Attempts by any nation to prevent or sabotage European recovery for selfish ends are clearly contrary to these purposes.

"Heritage Of Freedom"

Asserting that "aggressive" activities by Communists and Red-inspired groups have been aimed directly at barring recovery in Europe, Mr. Truman added:

"The next few years can determine whether the free countries of Europe will be able to preserve their heritage of freedom.

"If Europe fails to recover, the peoples of these countries might be driven to the philosophy of despair—the philosophy which contends that their basic wants can be met only by the surrender of their basic rights to totalitarian control.

Two Essentials Cited

The President said a European comeback depends on two essentials:

1. That the nations take "vigorous action" to help themselves.
2. That they get sufficient outside aid to supply the margin of victory for recovery.

While most of this aid must come from the United States, he said, total United States exports to the entire world next year are expected to be no bigger than in the past twelve months.

But even this level of shipments, Mr. Truman said, will have "an important impact on our markets." So he put in a one-sentence repeat request that Congress enact his ten-point program to fight inflation at home.

Increased Production

The President said the sixteen recovery-program nations will finance most of the things they import themselves. In terms of value, the vital imports they cannot pay for themselves, he said, will represent only about five per cent of their total national production. These, he said, will mean the difference between "ever-deepening stagnation and progressive improvement."

Essentially, he said, recovery is a European problem that can be solved only by increased production. America, he said, cannot supply relief indefinitely, so it is seeking practical ways to eliminate Europe's need for it.

But our deepest concern with recovery abroad, he said, "is that it is essential to the maintenance of the civilization in which the American way of life is rooted."

"Struggle Intensified"

"The economic plight in which Europe now finds itself has intensified a political struggle between those who wish to remain freemen living under the rule of law and those who would use economic distress as a pretext for the establishment of a totalitarian state," he added.

The chances for political and economic stability in Europe may be lost, the Chief Executive said, if America provides "only half-hearted and halfway help."

But he left out any recommendation for special loans to Europe to help stabilize currencies there. The sixteen countries had proposed something like $3,000,000,000 of this type of aid.

Mr. Truman said it might be desirable later on but there is no way now of determining when or to what extent the loans should be made.

Furthermore, he said, the whole program has been scaled down wherever it seemed to include non essentials or wherever supplies were too scarce to meet requirements.

DEC 1947

30.24- 14343

first year and a half after V-E day, the people of western Europe, by their own diligent efforts and with the aid of the United States and other nations, made remarkable progress toward these objectives.

At the beginning of 1947, however, they were still short of the goal of economic recovery. Their difficulties were greatly increased during the present year, chiefly by a bitter winter followed by floods and droughts, which cut western Europe's grain crop to the lowest figure in generations and hampered production of many other products.

Nevertheless, it was clear by last spring that Europe had achieved sufficient political and economic stability to make possible an over-all plan for recovery.

European recovery is essentially a problem for the nations of Europe. It was therefore apparent that it could not be solved, even with outside aid, unless the European nations themselves would find a joint solution and accept joint responsibility for its execution. Such a co-operative plan would serve to release the full productive resources of Europe and provide a proper basis for measuring the need and effectiveness of further aid from outside Europe, and in particular from the United States.

These considerations led to the suggestion by the Secretary of State on June 5, 1947, that further help from the United States should be given only after the countries of Europe had agreed upon their basic requirements and the steps which they would take in order to give proper effect to additional aid from us.

In response to this suggestion, representatives of sixteen European nations assembled in Paris in July, at the invitation of the British and French governments, to draw up a co-operative program of European recovery. They formed a committee of European economic co-operation. The countries represented were: Austria, Belgium, Denmark, France, Greece, Iceland, Ireland, Italy, Luxemburg, the Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey and the United Kingdom. Although western Germany was not formally represented on the committee, its requirements, as well as its ability to contribute to European economic recovery, were considered by the committee.

The Recovery Program Proposed by the European Countries

The report of the European committee was transmitted to the government of the United States late in September. The report describes the present economic situation of Europe and the extent to which the participating countries can solve their problem by individual and joint efforts. After taking into account these recovery efforts, the report estimates the extent to which the sixteen countries will be unable to pay for the imports they must have.

The report points out that the peoples of western Europe depend for their support upon international trade. It has been possible for some 270,000,000, occupying this relatively small area, to enjoy a good standard of living only by manufacturing imported raw materials and exporting the finished products to the rest of the world. They must also import foodstuffs in large volume, for there is not enough farmland in western Europe to support its population, even with intensive cultivation and with favorable weather. They cannot produce adequate amounts of cotton, oil and other raw materials. Unless these deficiencies are met by imports, the productive centers of Europe can function only at low efficiency, if at all.

In the past these necessary imports were paid for by exports from Europe, by the performance of services such as shipping and banking, and by income from capital investments abroad. All these elements of international trade were so badly disrupted by the war that the people of western Europe have been unable to produce in their own countries, or to purchase elsewhere, the goods essential to their livelihood. Shortages of raw materials, productive capacity and exportable commodities have set up vicious circles of increasing scarcities and lowered standards of living.

The economic recovery of western European countries depends on breaking through these vicious circles by increasing production to a point where exports and services can pay for the imports they must have to live. The basic problem in making Europe self-supporting is to increase European production.

The sixteen nations presented in their report a recovery program designed to enable them, and western Germany, to become economically self-supporting within a period of four years and thereafter to maintain a reasonable minimum standard of living for their people without special help from others. The program rests upon four basic points:

(1) A strong production effort by each of the participating countries.

(2) Creation of internal financial stability by each country.

(3) Maximum and continuing co-operation among the participating countries.

(4) A solution of the problem of the participating countries trading deficit with the American continents, particularly by increasing European exports.

The nations represented on the European committee agreed at Paris to do everything in their power to achieve these four aims. They agreed to take definite measures leading to financial, economic and monetary stability, the reduction of trade barriers, the removal of obstacles to the free movement of persons within Europe and a joint effort to use their common resources to the best advantage.

These agreements are a source of great encouragement. When the representatives of sixteen sovereign nations, with diverse peoples, histories and institutions, jointly determine to achieve closer economic ties among themselves and to break away from the self-defeating actions of narrow nationalism, the obstacles in the way of recovery appear less formidable.

The report takes into account the productive capacities of the participating nations and their ability to obtain supplies from other parts of the world. It also takes into account the possibilities of obtaining funds through the International Bank for Reconstruction and Development, through private investment and, in some instances, by the sale of existing foreign assets. The participating countries recognized that some commodities, particularly food, will remain scarce for years to come, and the diet they have set as their goal for 1951 is less adequate in most cases than their pre-war diet. The report assumes that many countries will continue restrictions on the distribution of shortage items such as food, clothing and fuel.

When all these factors had been considered the European committee concluded that there will still be a requirement for large quantities of food, fuel, raw materials and capital equipment for which the financial resources of the participating countries will be inadequate.

With successful execution of the European recovery program, this requirement will diminish in each of the four years ahead, and the committee anticipated that by 1952 Europe could again meet its needs without special aid.

Appraisal of the European Problem

The problem of economic recovery in Western Europe is basically of the character described in the report of the sixteen nations. A successful European recovery program will depend upon two essentials. The first is that each nation separately and all the nations together should take vigorous action to help themselves. The second essential is that sufficient outside aid should be made available to provide the margin of victory for the recovery program.

The necessary imports which the sixteen countries cannot finance without assistance constitute only a small proportion, in terms of value, of their total national production—some 5 per cent over the four years of the program. Those imports, however, are of crucial importance in generating recovery. They represent the difference between ever-deepening stagnation and progressive improvement.

Most of the necessary outside aid, if it is to come at all, must come from the United States. It is a simple fact that we are the only nation with sufficient economic strength to bridge the temporary gap between minimum European needs and war-diminished European resources.

We expect that other countries which have it within their power will also give what assistance they can to Europe. Canada, for example, has been lending assistance to Europe fully as great in proportion to its capacity as that which we have given. We also expect that international institutions, particularly the International Bank, will provide such assistance as they can within their charters. But the fact remains—only the United States can provide the bulk of the aid needed by Europe over the next four years.

It is necessarily a complex and difficult task to determine the extent and nature of this aid.

In some respects, the situation has changed significantly since the report of the sixteen countries was completed. Some of these changes have been unfavorable, including price increases in the United States and other countries where Europe makes purchases, a serious drought in Europe, and aggressive activities by Communists and Communist-inspired groups aimed directly at the prevention of European recovery.

There have also been favorable changes. In the last few months coal production in the Ruhr district of western Germany has increased from 230,000 tons a day to 290,000 tons a day. Similarly, coal production in the United Kingdom has risen markedly in recent weeks. Iron and steel production has correspondingly increased.

Such increases in production, which lie at the heart of industrial recovery, are of far-reaching importance.

Further changes in the situation, now unpredictable, are to be expected as European recovery progresses.

All our plans and actions must be founded on the fact that the situation we are dealing with is flexible and not fixed, and we must be prepared to make adjustments whenever necessary.

Weather conditions will largely determine whether agricultural goals can be met.

Political events in Europe and in the rest of the world cannot be accurately foreseen. We must not be blind to the fact that the Communists have announced determined opposition to any effort to help Europe get back on its feet. There will unquestionably be further indictments to strike, not for the purpose of redressing the legitimate grievances of particular groups, but for the purpose of bringing chaos in the hope that it will pave the way for totalitarian control.

On the other hand, if confidence and optimism are re-established soon, the spark they provide can kindle united efforts to a degree which would substantially accelerate the progress of European recovery.

Despite these many imponderables, the dimensions of the necessary assistance by the United States can now be determined within reasonable limits. We can evaluate the proobable success of a bold concept of assistance to the European economy. We can determine the principles upon which American aid should be based. We can estimate the probable magnitude of the assistance required and judge whether we can, safely and wisely, provide that assistance.

Extensive consideration has been given to these problems. Congressional committees and individual members of the Congress have studied them at home and abroad during the recent Congressional recess. The report of the European nations has been carefully analyzed by officials of our government. Committees of the executive branch and a group of distinguished private citizens have given their best thought to the relationship between Europe's needs and our resources.

Program for United States Aid

DEC 1947

In the light of all these factors, an integrated program for United States aid to European recovery has been prepared for submission to the Congress.

In developing this program, certain basic considerations have been kept in mind:

First, the program is designed to make genuine recovery possible within a definite period of time, and not merely to continue relief indefinitely.

Second, the program is designed to insure that the funds

DEC 1947

DEC 1947

and goods which we furnish will be used most effectively for European recovery.

Third, the program is designed to minimize the financial cost to the United States, but at the same time to avoid imposing on the European countries crushing financial burdens which they could not carry in the long run.

Fourth, the program is designed with due regard for conserving the physical resources of the United States and minimizing the impact on our economy of furnishing aid to Europe.

Fifth, the program is designed to be consistent with other international relationships and responsibilities of the United States.

Sixth, the administration of the program is designed to carry out wisely and efficiently this great enterprise of our foreign policy.

I shall discuss each of these basic considerations in turn.

Recovery—Not Relief

The program is designed to assist the participating European countries in obtaining imports essential to genuine economic recovery which they cannot finance from their own resources. It is based on the expectation that with this assistance European recovery can be substantially completed in about four years.

The aid which will be required from the United States for the first fifteen months, from April 1, 1948, to June 30, 1949, is now estimated at $6.8 billion.

These funds represent careful estimates of the cost of the goods and services which will be required during this period to start Europe on the road to genuine economic recovery. The European requirements as they were stated in the Paris report have been closely reviewed and scaled downward, where they appeared to include non-essentials or where limited supplies will prevent their full satisfaction.

The requirements of the remaining three years of the program are more difficult to estimate now, but they are expected to decrease year by year as progress is made toward recovery. Obviously, price changes, weather and crop conditions and other unpredictable factors will influence the over-all cost of our aid. Nevertheless, the inherent nature of this enterprise and the long-range planning necessary to put it into effect on both sides of the Atlantic require that this government indicate its plans for the duration and the general magnitude of the program, without committing itself to specific amounts in future years. The best estimates we can now make indicate that appropriations of about $10.2 billion will be required for the last three years.

I recommend that legislation providing for United States aid in support of the European recovery program authorize the appropriation of $17 billion from April 1, 1948, to June 30, 1952. Appropriation for the period from April 1, 1948, to June 30, 1949, should be made in time for the program to be put into effect by April 1, 1948. Appropriations for the latter years should be considered subsequently by the Congress on an annual basis.

The funds we make available will enable the countries of Europe to purchase goods which will achieve two purposes—to lift the standard of living in Europe closer to a decent level, and at the same time to enlarge European capacity for production. Our funds will enable them to import grain for current consumption, and fertilizer and agricultural machinery to increase their food production. They will import fuel for current use, and mining machinery to increase their coal output. In addition, they will obtain raw materials, such as cotton, for current production, and some manufacturing and transportation equipment to increase their productive capacity.

The industrial goods we supply will be primarily to relieve critical shortages at a few strategic points which are now curtailing the great productive powers of Europe's industrial system.

The fundamental objective of further United States aid to European countries is to help them achieve economic self-support and to contribute their full share to a peaceful and prosperous world. Our aid must be adequate to this end. If we provide only half-heartedly and half-way help, our efforts will be dissipated and the chances for political enonomic stability in Europe are likely to be lost.

Insuring Proper Use of United States Aid

A second basic consideration with regard to this program is the means by which we can insure that our aid will be used to achieve its real purposes—that our goods and our dollars will contribute most effectively to European recovery. Appropriate agreements among the participating countries and with the United States are essential to this end.

At the Paris conference the European nations pledged themselves to take specific individual and co-operative actions to accomplish genuine recovery. While modification or amplification of these pledges may prove desirable, mutual understandings of this nature are essential. They will give unity of purpose and effective co-ordination to the endeavors of the peoples of the sixteen nations.

In addition, each of the countries receiving aid will be expected to enter into an agreement with the United States affirming the pledges which it has given to the other participating countries, and making additional commitments.

Under these agreements, each country would pledge itself to take the following actions, except where they are inapplicable to the country concerned:

(1) To promote increased industrial and agricultural production in order to enable the participating country to become independent of abnormal outside economic assistance.

(2) To take financial and monetary measures necessary to stabilize its currency, establish or maintain a proper rate of exchange, and generally to restore or maintain confidence in its monetary system.

(3) To co-operate with other participating countries to reduce barriers to trade among themselves and with other countries, and to stimulate an increasing interchange of goods and services.

(4) To make efficient use, within the framework of a joint program for European recovery, of the resources of the participating country, and to take the necessary steps to assure efficient use in the interest of European economic recovery of all goods and services made available through United States aid.

(5) To stimulate the production of specified raw materials, as may be mutually agreed upon, and to facilitate the procurement of such raw materials by the United States for stockpiling purposes from the excess above the reasonable domestic usage and commercial port requirements of the source country.

(6) To deposit in a special account the local currency equivalent of aid furnished in the form of grants, to be used only in a manner mutually agreed between the two governments.

(7) To publish domestically and to furnish to the United States appropriate information concerning the use made of our aid and the progress made under the agreements with other participating countries and with the United States.

The United States will, of course, retain the right to determine whether aid to any country is to be continued if our previous assistance has not been used effectively.

Financial Arrangements

A third basic consideration in formulating the program of United States aid relates to the financial arrangements under which our aid is to be provided.

One of the problems in achieving the greatest benefit from United States aid is the extent to which funds should be made available in the form of grants as contrasted with loans. It is clear that we should require repayment to the extent that it is feasible and consistent with the objectives of the program, in order that no unnecessary burden be imposed upon the people of the United States.

It is equally clear that we should not require repayment where it would impose paralyzing financial obligations on the people of Europe and thus defeat the basic purpose of making Europe self-supporting.

Recovery for Europe will not be achieved until its people are able to pay for their necessary imports with foreign exchange obtained through the export of goods and services. If they were to have additional burdens to bear in the form of interest and amortization payments in future years, they would have to plan for an even higher level of exports to meet these obligations. This would necessarily increase the requirements of the recovery program, and delay the achievement of economic stability.

It is also important that an increasing portion of the financial needs of Europe be met by dollar loans from the international bank, and by the revival of private financing. This prospect would be seriously jeopardized if the United States, as part of the recovery program, were to impose all that the traffic will bear in the form of debt obligations.

I recommend that our aid should be extended partly in the form of grants and partly in the form of loans, depending primarily upon the capacity of each country to make repayments, and the effect of additional international debt upon the accomplishment of genuine recovery. No grants should be made to countries able to pay cash for all imports or to repay loans.

At a later date it may prove desirable to make available to some of the European countries special loans to assist them in attaining monetary stability. I am not now requesting authorization for such loans, since it is not possible at this time to determine when or to what extent such loans should be made.

As economic conditions in Europe improve and political conditions become more stable, private financing can be expected to play an increasingly important role. The recommended program of United States aid includes provisions to encourage private financing and investments.

Impact on the United States Economy

A fourth basic consideration is the effect of further aid for Europe upon the physical resources of the United States and upon our economy.

The essential import requirements of the 270 million people of western Europe cover a wide range of products. Many of these requirements can be met by the United States and other countries without substantial difficulty. However, a number of the commodities which are most essential to European recovery are the same commodities for which there is an unsatisfied demand in the United States.

Sharing these commodities with the people of Europe will require some self-denial by the people of the United States. I believe that our people recognize the vital importance of our aid program and are prepared to share their goods to insure its success.

While the burden of our people should not be ignored or minimized, neither should it be exaggerated. The program of aid to Europe which I am recommending is well within our capacity to undertake.

Its total cost, though large, will be only about 5 per cent of the cost of our effort in the recent war. It will cost less than 3 per cent of our national income during the life of the program.

As an investment toward the peace and security of the world and toward the realization of hope and confidence in a better way of life for the future, this cost is small, indeed.

A committee under the chairmanship of the Secretary of the Interior was appointed last summer to study the effect of a foreign-aid program upon the natural resources of our country. Its study has shown that our resources can safely meet the demands of a program such as I am now recommending. Such demands could not, however, be supplied indefinitely. Our program of aid to Europe recognizes this fact.

Our exports to Europe will decrease during the succeeding years of the program as trade is revived along realistic patterns which will make available from other sources an increasing share of Europe's requirements.

Actually, our position with respect to some raw materials of which we have inadequate domestic resources will be improved, since, under our program of aid to Europe, an increased amount of these materials will be made available to us.

During recent months the Council of Economic Advisers made an intensive study of the impact of foreign aid on our do-

DEC 1947

DEC 1947

DEC 1947

30.24- 14345

mestic economy.

The council concluded that a program of the size now contemplated is well within our productive capacity and need not produce a dangerous strain on our economy.

At the same time, a group of distinguished private citizens under the chairmanship of the Secretary of Commerce considered the extent and nature of foreign aid which the United States can and should provide. The conclusion of this group was that a program of the scope I am recommending is a proper, wise and necessary use of United States resources.

The reports submitted to me by the Council of Economic Advisers and the committees under the chairmanship of the Secretary of the Interior and the Secretary of Commerce all emphasized that specific measures should be taken to prevent our foreign aid program from imposing unnecessary burdens on our economy.

If the United States were to supply from its own production all the essential commodities needed to meet European requirements, unnecessary scarcities and unnecessary inflationary pressures would be created within our economy. It is far wiser to assist in financing the procurement of certain of these commodities from other countries, particularly the other food-producing countries in the Western Hemisphere. The funds we make available to aid European recovery therefore should not be restricted to purchases within the United States.

Under the proposed program of aid to Europe, the total exports to the whole world from this country during the next year are expected to be no greater than our total exports during the past twelve months.

This level of exports will nevertheless have an important impact on our markets. The measures I have already proposed to the Congress to fight general domestic inflation will be useful, as well, in cushioning the impact of the European aid program.

The effect of aid to Europe upon our economy, as well as its financial cost, will be significantly affected by the arrangements we make for meeting shipping requirements.

The interest of the United States will be served best by permitting the sale or temporary transfer of some of our war-built merchant ships to the European countries. Because of world steel shortages, the sale or temporary transfer of ships should be linked with a reduction or deferment of the projected shipbuilding schedules of the participating countries. These arrangements should be consistent with their long-range merchant marine requirements. They should also be consistent with our long-range objectives of maintaining an adequate merchant marine and shipbuilding industry for the United States.

Making these vessels available to the European countries will materially reduce the cost of United States aid both by lowering shipping costs and by reducing the use of scarce materials for new ship construction overseas.

Relationship to Other International Questions

A fifth basic consideration is the relationship of our aid to the European recovery program to other international questions.

I have already mentioned that the requirements and resources of western Germany were included in the considerations of the sixteen countries at Paris. Our program of United States aid also includes western Germany.

The productive capacity of the highly industrialized areas of western Germany can contribute substantially to the general cooperative effort required for European recovery. It is essential that this productive capacity be effectively utilized, and it is especially important that the coal production of the Ruhr continue to increase rapidly.

Every precaution must, of course, be taken against a resurgence of military power in Germany. The United States has made clear on many occasions its determination that Germany shall never again threaten to dominate Europe or endanger the peace of the world. The inclusion of western Germany in the European recovery program will not weaken this determination.

As an occupying power in western Germany, the United States has a responsibility to provide minimum essentials necessary to prevent disease and unrest. Separate appropriations will be requested for this purpose for the period through June 30, 1949.

Above this minimum level, amounts needed to assist in the rehabilitation of western Germany are included in the overall estimates for aid to European recovery.

Another significant area of the world which has been considered in developing the recovery program is eastern Europe. A number of the governments of eastern Europe which were invited to participate in the work of the Paris conference on economic co-operation chose not to do so. Their failure to join in the concerted effort for recovery makes this effort more difficult and will undoubtedly prolong their own economic difficulties.

This should not, however, prevent the restoration of trade between eastern and western Europe to the mutual advantage of both areas. Both the report of the sixteen nations and the program now submitted to the Congress are based on the belief that over the next few years the normal pattern of trade between eastern and western Europe will be gradually restored. As the restoration of trade is achieved, the abnormal demands on the Western Hemisphere, particularly for food and fuel, should diminish.

The relationship between this program and the United Nations deserves special emphasis because of the central importance in our foreign policy of support of the United Nations. Our support of European recovery is in full accord with our support of the United Nations.

The success of the United Nations depends upon the independent strength of its members and their determination and ability to adhere to the ideals and principles embodied in the Charter. The purposes of the European recovery program are in complete harmony with the purposes of the Charter—to insure a peaceful world through the joint efforts of free nations. Attempts by any nation to prevent or sabotage European recovery for selfish ends are clearly contrary to these purposes.

It is not feasible to carry out the recovery program exclusively through the United Nations. Five of the participating countries are not yet members of the United Nations. Furthermore, some European members are not participating in the program.

We expect, however, that the greatest practicable use will be made of the facilities of the United Nations and its related agencies in the execution of the program. This view is shared by all the participating countries.

Our intention to undertake a program of aid for European recovery does not signify any lessening of our interest in other areas of the world. Instead, it is the means by which we can make the quickest and most effective contribution to the general improvement of economic conditions throughout the world. The workshops of Europe, with their great reservoir of skilled workers, must produce the goods to support peoples of many other nations.

I wish to make especially clear that our concentration on the task in western Europe at this time will not lessen our long-established interest in economic co-operation with our neighbors in the Western Hemisphere. We are first of all a member of an American community of nations, in which co-operative action, similar to that which the European nations are now undertaking, is required to increase production, to promote financial stability, and to remove barriers to trade.

Fortunately, we in the Americas are further advanced along this road, but we must not overlook any opportunity to make additional progress. The European recovery program will require procurement of supplies in many nations of this hemisphere. This will act as a stimulant to production and business activity and promote the reestablishment of world trade upon which the prosperity of all of us depends.

While our present efforts must be devoted primarily to western Europe, as the most important area in the world at this time for the future of peace, we also have a special concern for the war-torn areas of Asia. In Japan and Korea, the United States has supplied extensive aid to support life and commence reconstruction. Since the war's end, we have provided China with varied and important assistance which has aided that nation substantially.

The United States should continue to do all it appropriately can to assist in the restoration of economic stability as a basis for recovery in the Far East. Extensive study has been given during the last few months to the means by which we might best aid in meeting the special needs for relief and rehabilitation in China. I expect to make recommendations on that subject to the Congress during its next session.

Administrative Arrangements

I have set forth several basic considerations which should govern our aid to the recovery of Europe. One further consideration which vitally affects all the others is the necessity for effective administrative arrangements adapted to the particular requirements of the program. If the work to be done is not well organized and managed, the benefits of our aid could be largely dissipated.

The administration of our aid will involve the performance of several major functions. The needs of the participating countries must be reviewed in close co-operation with them. Continued relationships must be maintained with the United Nations and with an organization of the participating nations.

The requirements for each commodity or service under the program must be carefully evaluated in relation to United States supplies and domestic needs and to the resources of other nations which can help. Decisions must be reached as to the best means of supplying aid and the conditions of aid for each country. Assistance must be given to facilitate the procurement, transportation and efficient use of goods. A constant review must be maintained over the use of our aid and the execution of agreements. The results of the program must be evaluated and reported to all concerned—the President, the Congress and the people.

While these activities are complex, they are not comparable in magnitude or in character to our war-time supply activities. Under this program, most of the operations can be carried out through private channels and existing government agencies.

Nevertheless, the scope and importance of the program warrant the creation of a new organization to provide central direction and leadership. I therefore recommend the establishment of a new and separate agency, the economic co-operation administration, for this purpose. It should be headed by an administrator, appointed by the President and directly responsible to him. The administrator should be subject to confirmation by the Senate.

The Economic Co-operation Administration will sponsor the European aid requirements as they are reviewed and adjusted, with other governmental agencies, to form a practical program in the light of available supplies and capacities. The Economic Co-operation Administration will be responsible for initiating the approved program project by project and nation by nation and for regulations as to supervision, co-operative assistance and other policy matters which will guide the program at every point. In keeping with the importance and nature of its task, the new agency should have flexibility in the determination of operating methods, the use of funds and the hiring of key personnel.

The relationship of the Economic Co-operation Administration to the existing governmental establishment is of crucial importance. In the determination of programs for the several countries, the assessment of individual projects and many other matters involving our activities abroad, the Economic Co-operation Administration must work closely with the Department of State. Similarly, on many actions affecting our domestic economy, the Administration must work with, rather than supplant, existing agencies.

For example, the Department of Agriculture should be relied upon for any required government action in the procurement and allocation of certain other commodities in short supply, and for continued administration of export controls. The facilities of these agencies will in some cases need to be strengthened, but no major changes in governmental organization to perform important domestic functions will be required.

Under these circumstances, I

DEC 1947

DEC

expect that the Economic Co-operation Administration will need only a small staff. No vast new agency or corporation is needed to perform functions for which government facilities now exist.

It is essential to realize that this program is much more than a commercial operation. It represents a major segment of our foreign policy. Day in and day out its operations will affect and be affected by foreign policy judgments. We shall be dealing with a number of countries in which there are complex and widely varying economic and political situations. This program will affect our relationships with them in matters far beyond the outline of the program itself. Its administration must therefore be fully responsive to our foreign policy. The administrator must be subject to the direction of the Secretary of State on decisions and actions affecting our foreign policy.

The United States activities in Europe under the program will constitute essentially an extension of our present relationships with the participating countries.

In order to maintain unity of United States representation abroad, our ambassador in each country must retain responsibility for all matters requiring contracts with the government to which he is accredited, including operations under this program. Some additional personnel technically qualified to perform specialized functions arising out of the program, should be placed in the embassies to represent and carry out the responsibilities of the Economic Co-operation Administration abroad.

In addition, I recommend that provision be made for a special United States representative for the European recovery program. He would represent the United States at any continuing organization of the participating countries, and he would exercise general co-ordination of our operations in Europe under the program. He should be appointed by the President, subject to confirmation by the Senate, and have ambassadorial rank. Because of the joint interest of the Secretary of State and the administrator in his activities, the special representative must serve both as the President may direct. The activities of this representative in promoting mutual self-help among the European nations will be of the utmost importance in achieving the success of the European recovery program.

The administrative arrangements I have described are in keeping with the character of the job to be done and will provide the most efficient and economical means for its performance.

Conclusion

In proposing that the Congress enact a program of aid to Europe, I am proposing that this nation contribute to world peace and to its own security by assisting in the recovery of sixteen countries which, like the United States, are devoted to the preservation of free institutions and enduring peace among nations.

It is my belief that United States support of the European recovery program will enable the free nations of Europe to devote their great energies to the reconstruction of their economies. On this depend the restoration of a decent standard of living for their peoples, the development of a sound world economy, and continued support for the ideals of individual liberty and justice.

In providing aid to Europe we must share more than goods and funds. We must give our moral support to those nations in their struggle to rekindle the fires of hope and strengthen the will of their peoples to overcome their adversities. We must develop a feeling of teamwork in our common cause of combating the suspicions, prejudices and fabrications which undermine co-operative effort, both at home and abroad.

This joint undertaking of the United States and a group of European nations, in devotion to the principles of the Charter of the United Nations, is proof that free men can effectively join together to defend their free institutions against totalitarian pressures, and to promote better standards of life for all their peoples.

I have been heartened by the widespread support which the citizens of the United States have given to the concept underlying the proposed aid to European recovery. Workers, farmers, business men and other major groups have all given evidence of their confidence in its noble purpose and have shown their willingness to give it full support.

I know that the members of Congress have already given much thoughtful consideration to the grave issues now before us. I know that the Congress will, as it should, consider with great care the legislation necessary to put the program into effect. This consideration should proceed as rapidly as possible in order that the program may become effective by April 1, 1948. It is for this reason that I am presenting my recommendations to the Congress now, rather than awaiting its reconvening in January.

I recommend this program of United States support for European recovery to the Congress in full confidence of its wisdom and necessity as a major step in our nation's quest for a just and lasting peace.

HARRY S. TRUMAN.

The White House, Dec. 19, 1947.

How President Reached Total

Washington, Dec. 19 (A. P.).—This step-by-step table shows how President Truman arrived at $17,000,000,000 as the estimated United States outlay under the Marshall plan. Where two figures are shown, the lower figure represents the cost if prices drop; the higher figure, the sum if prices hold at about present levels:

1. Deficit of the sixteen European nations and Germany in trade with the entire Western Hemisphere	$19,400,000,000 to $22,100,000,000
2. Add: Deficit of United States-British zone of Germany in trade with other European countries	$600,000,000
3. Total cost	$20,000,000,000 to $22,700,000,000
4. Subtract: Financing provided by World Bank, private loans, unspent credits, aid from other Western Hemisphere countries, &c.	$4,100,000,000
5. Total needed from United States Treasury	$15,900,000,000 to $18,600,000,000
6. Subtract: Separate appropriation being asked by the Army to combat disease and unrest in Germany through June, 1949	$800,000,000
7. Total needs for Marshall plan	$15,100,000,000 to $17,800,000,000
8. Authorization asked of Congress	$17,000,000,000

DEC 1947

Main Points Shown In the Marshall Plan

By The Associated Press.

WASHINGTON, Dec. 19—These are the chief aspects of the Marshall plan:

Purpose—To Help sixteen Western European countries help themselves back to peace and prosperity by June 30, 1952.

Estimated cost—Between $15,100,000,000 and $17,800,000,000, depending on what happens to prices here at home.

Who would run it—A $20,000-a-year Economic Cooperation Administrator, a $17,500 Deputy and a $25,000 roving Ambassador.

Congress is asked—To Authorize total spending of $17,000,000,000 and provide $6,800,000,000 in actual money for first fifteen months.

Outlook—Long hearings and debate over both amount of money and plans for running program.

Europe Is Told It Will Get Less U. S. Aid Than It Asked

We Cannot Supply Full Amount of Food, Oil Fertilizer and Machinery, and Prices Will Be Higher Than Paris Figured.

Washington, Dec. 19 (A. P.).—President Truman's blueprint for European recovery calls for less help than the sixteen Marshall plan nations asked for, and higher prices for what they do get.

Behind the chief executive's message to Congress today proposing a $17,000,000,000 four-year assistance program is an exhaustive governmental study overhauling the economic planning done by the Marshall Plan nations at Paris in September.

Released by the State Department simultaneously with the reading of the President's message to Congress, this study notifies Europe that the United States cannot supply as much grain, fats and oils, petroleum, fertilizer, tractors or freight cars as the Paris report requested.

New Revisions Urged on Europe.

It also suggests that the Paris plans be revised further to:

1. Increase Europe's own exports, even though it might mean a slower rise in living standards there.

2. Slow down plans for factory, power plant and housing expansion on the ground that excessive "capital formation" means less goods for consumers, lower exports and inflation.

3. Charter 300 ships from the United States temporarily, in addition to the planned purchase of 200 war-built vessels, and reduce Europe's own four-year objective of 15,700,000 tons of ship construction.

But the Government report, which carries the full text of the Marshall plan legislation proposed by Mr. Truman, noted further: "It seems clear that the direction must be away from austerity. . . . . In some countries it would mean starvation; in many others it would adversely affect production."

Small Comfort on Prices.

As for American prices, the document gave small comfort to the Paris conferees who spoke hopefully of a 12½ per cent drop below the July, 1947, level by 1951 and calculated the cost of European aid accordingly. The administration report noted that prices already have risen 7½ per cent above last July, while some major export items have soared far beyond—wheat 20 per cent, coal 10 per cent and oil 30 per cent.

In its own estimates, the Government used two assumptions: First, the "high" assumption that prices will stay about where they are for the next four years; and second, the "low" assumption that prices will not vary much through June, 1949, and then will drop 7½ per cent in each of the three following years. Using these and other variable factors, the Government arrived at a high estimate for the Marshall plan of $17,800,000,000 and a low estimate of $15,000,000,000.

But in announcing his "best estimate" of $17,000,000,000 as the basis for congressional action, Mr. Truman hewed much closer to the high figure than the low one.

Scarcities at home are the major reason why United States shipments will be smaller than those estimated by the Paris conference, the report said. On the other hand, it foresaw a "considerable increase" in supplies available from other Western Hemisphere nations.

Europe's Imports Estimated.

The United States is expected to supply goods valued at $19,300,000,000, instead of the $20,000,000,000 projected at Paris, while other hemisphere countries will supply about $16,600,000,000

DEC 1947

DEC 1947 30.24- 14347

worth instead of $15,000,000,000.

The $35,900,000,000 in shipments from the Western Hemisphere makes up the bulk of some $58,500,000,000 in imports from outside countries during the recovery period. The report notes that "Europeans will be able to pay for two-thirds of their imports during the next four years through their own efforts"; that is, without dollar help.

The report said that in the case of cotton, dried fruit, canned or dried milk, sugar and tobacco the Paris requests can be approximately met or exceeded. But the next crop year will send only 22,000,000 metric tons of grain to Europe from all sources, the report predicted, as against a request for 29,500,000 tons.

That gloomy outlook may be revised somewhat in the light of a possible billion-bushel United States wheat crop in 1948, the fourth in history.

Wheat Outlook More Favorable.

The Marshall Plan report was drafted before the Agriculture Department issued its forecast, which gave a far more favorable outlook for fall-sown winter wheat than had been expected a few weeks ago. This crop will yield 838,705,000 bushels, the department said, and officials guessed that spring wheat might add 275,000,000 bushels to the total.

In the fiscal and crop year ending June 30, 1949, Europe can expect to import only 1,100,000 metric tons of fats and oils, instead of 1,900,000; 1,800,000 metric tons of meat instead of 2,300,000; 180,000 metric tons of nitrogen instead of 230,000 tons.

And as for farm machinery, the Government figured the United States and Canada could spare only $637,000,000 worth in four years, as against the Paris estimate of $1,200,000,000. But the report expressed doubt that European farms could be mechanized as rapidly as the Paris planners hoped, even if the equipment could be made available. The report said much of the machinery asked was of a heavy type suitable only for large farms, of which there are few in western Europe.

Outlook for Key Items.

The outlook for other key items on the European want-list, as seen by the Government:

Steel—In the first year, 1,800,000 metric tons of finished steel may be supplied, 50 per cent more than requested. But less than half the requested 2,800,000 tons of crude and semi-finished steel, one-tenth of the scrap and one-half of the steel-making equipment will be available. None of the scrap will be sent by the United States.

Timber — Shipments ranging upward from $520,000,000 a year will be met fully.

Freight Cars—The Paris report asked for 103,000 freight cars, worth $367,000,000. The Government believes it failed to show a need for more than 26,000 cars and plans to export only 20,000 in the first year, 60,000 in the second.

Coal-mining Equipment—Total shipments of $208,000,000 are feasible, slightly below the Paris request.

Petroleum Equipment—United States exports may run close to $950,000,000 in the four years. The need, when equipment for United States companies in Europe is added to Europe's own request for $588,000,000 in such supplies, amounts to some $1,500,000,000.

Electric Power Equipment—American shipments can supply needed generating and transmission facilities later in the program.

As to European Self-help.

In weighing the prospects for European self-help, the Government judged that the farm production goals set by the sixteen nations at Paris are "reasonable and attainable."

"Prospects are bright that the participating countries will achieve their overall food and agriculture production targets by the 1951-52 crop year," the report said. It added:

The coal production goal is "technically achievable," but not if there are strikes or poor organization of effort. Steel output cannot be increased as desired, nor can the consumption of hydro-electric power be raised to twice pre-war levels, as projected. The 1949 goal for expanded use of petroleum probably cannot be met until 1951-52.

Despite these latter disappointing estimates, the Government said, "European industrial recovery will not be significantly impede provided finished steel is directed to the most urgent uses, namely the equipment-making and metal-fabricating industries producing durable capital goods."

More European Exports Urged.

Declaring that the goals for European exports "should be revised upward" from those set at Paris," the Government report said this must be done even though the Paris goals themselves "would be enormously difficult of achievement."

This Government believes that the sixteen nations should aim at exporting as much to the Western Hmeisphere in the year ending June 30, 1949, as they shipped in 1938, even though Germany, Italy and Austria will be contributing far less to the total.

"If the exports assumed by the Executive branch are achieved," the report added, "those countries (the sixteen nations) will be subjected to the most severe strain that free societies can be expected to bear under the circumstances of the times."

PLAN PRAISED, CRITICIZED

Taft Opposes Long-Range Pledges Of Aid To Europe

Washington, Dec. 19 (AP)—President Truman's Marshall-plan proposals won indorsement from many congressional Democrats tonight but a number of Republicans, who are in the majority in both houses, were critical.

Senator Taft (R., Ohio), chairman of the Senate Republican Policy Committee, came out flatly against pledging aid for as long period as the President, asked, and said assistance should be authorized on a year-to-year basis.

"I don't think Congress should commit itself in advance to any four-year program," Taft said. Senator Ball (R., Minn.) said it would be "foolhardy" to guarantee $17,000,000,000.

Adoption Predicted

Senator Barkley (D., Ky), minority leader, described Mr. Truman's figure as "conservative" however, and said he hoped that "after giving it serious consideration Congress will adopt the plan without undue delay and without material change."

In Chicago, Senator Lucas (D., Ill.), minority whip, reiterating his support of the plan, declared: "No Congress can bind a future Congress, but it could lay down a four-year plan, and if the Eighty-First Congress wanted to repudiate it, it could.

"I am confident, however, that we must take the gamble on rehabilitating these sixteen nations who want to co-operate with us on world recovery."

"Not A One-Way Street"

The Republican leader, Senator White, of Maine, said he expected the President's figure "will be pretty substantially sustained, even if reluctantly."

Some other comments were:

Senator McCarthy (R., Wis.)—Europe should be made to understand that the Marshall plan is not a one-way street. We ought to get some military bases that we need and some strategic supplies in return for the aid we are giving them.

Senator Hatch (D., N.M.)—My reaction to the President's message is—considering the conditions and the needs of the world—the proposal is not too large. If carried through in the interests of peace it may, and in my opinion it will, save many billions which otherwise would be spent in war.

Senator O'Mahoney (D., Wyo.)—I think the Marshall plan must be carried out if we are to have any hope of peace and economic recovery in the world.

"Depend On Surveys"

Senator Kem (R., Mo.)—Believing that our first concern must be to preserve America as a bulwark of free institutions, I shall be unable to follow the President further in this foreign venture.

Representative Taber (R., N.Y.), chairman of the House Appropriations Committee, asked "How are we going to do it?"

Taber said America lacks enough reserves to carry out safely the entire program. He said he did not know how much could be appropriated with safety, adding that "will depend on surveys we have to make."

Representative Rayburn, of Texas, House Democratic leader: "Congress will pass the Marshall plan. In what form it will be done, I do not know yet."

Representative Arends (R., Ill.), House Republican whip—Personally, I hope this long-range program can be shortened up and that it can be shown we won't have to obligate ourselves to the extent indicated in the President's program."

A.F.L. INFORMS TRUMAN OF MARSHALL PLAN DRIVE

WASHINGTON, Dec. 19 — (AP) Top officials of the American Federation of Labor told President Truman today they are trying to organize world-wide trade union support for the Marshall plan.

They also gave the President a recommendation that the three western zones of Germany be unified immediately "under an independent German government—the form of which would be decided freely by the German people themselves on a Democratic basis."

A memorandum making this recommendation said the Soviet Union is maintaining its zone "as a totalitarian base for the conquest and absorption of the rest of the country."

AFL President William L. Green said he told the President the AFL is sponsoring a trade union movement in 11 European countries for labor support of Marshall Plan.

PRICE BILL VOTED AS CONGRESS ENDS SPECIAL SESSION

540 Million in Stopgap Aid Also Approved in Closing Hours.

RECONVENES JAN. 6

Mounting Stack of Issues Will Face Lawmakers on Return.

WASHINGTON, Dec. 19 (AP)—Congress adjourned tonight, ending a 33-day special session which enacted a $540,000,000 foreign aid program and a plan for voluntary industry checks on rising prices.

The senate quit first, adjourning at 7:18 p.m.

The House followed at 7:32 after listening to a song by an impromptu quartet composed of Representatives Plumley (R-VT), Worley (D-Tex), Jones (D-NC), and Morris (D-Okla). They alleged that they sang "I Been Working on the Railroad" but other members said they didn't recognize the tune.

Stopgap Aid Voted

In the closing hours, the legislators sent to President Truman two measures dealing with the subjects he put before them when he called the special session to meet Nov. 17. But neither was just what he asked for.

On foreign aid, Congress voted $540,000,000 for France, Italy, Austria and China. Mr. Truman has asked $597,000,000 for the three European countries.

On the home economic fight, it approved an Republican bill based on seeking voluntary agreements from industries to hold down prices, together with continued export and transportation controls. The President had pleaded for power to resume price and rationing controls if he decided they were required to keep the cost-of-living within bounds.

Will Return Jan. 6

The legislators will return Jan. 6 for the regular session and already have a mounting stack of issues to tackle.

Biggest is the four-year, $17,000,000,000 Marshall plan for restoring Europe to economic health. Mr. Truman sent them that today. He said in a 9,000-word message that it is needed for American security.

Tons of statistical information, whole libraries of printed hearings, weeks of argument and debate will be expended as the legislators try to reach their decision on the quantity of aid to be offered and the method in which it will be extended. Mr. Truman estimated that the recovery program would absorb three per cent of the national income over the life of the plan.

Probes Feature of Session

It's a short session of Congress which doesn't spawn an investigation. This 33-day session had its share.

The Senate Appropriations committee dug into rumors that government insiders were playing the wheat market and speculating in other commodities. The first witness was Edwin Pauley, special assistant to the secretary of the army.

Pauley told the committee he was involved for about a million

dollars when he entered the government service. But he denied he had used any inside information in his dealings, and said he had undertaken to liquidate his holdings at a loss—presumably in potential profits—of $100,000.

Whetted by this disclosure, Republican senators demanded that Secretary of Agriculture Anderson hand them a list of all the big traders. Anderson balked, said the law wouldn't let him do so. The dispute was settled today when both Houses agreed to a resolution which will permit Anderson to turn the data loose. The President promptly signed it.

Two other investigations, started before the special session, still echoed in the capital.

"Federal grand jury today indicted Maj. Gen. Bennett E. Meyers, former air force procurement officer, on charges of perjury and inducing others to lie under oath. The Senate War Investigating committee originally turned up testimony that Meyers had profited by some $150,000 from a Dayton, Ohio, factory which got profitable war contracts.

The House cited 10 Hollywood figures for contempt of Congress, based on their refusal to say whether they are or have been Communists. They also were indicted by a Federal grand jury.

The short session heard plenty of tax reduction talk, but it went no further than the introduction of a bill. Rep. Harold Knutson (R-Minn.), top tax man in the House, proposed a $5,600,000,000 slash in income taxes effective Jan. 1. He said he would try to get it a high priority in the regular session.

In other business, the lawmakers authorized a $2,000,000 appropriation for the Navajo and Hopi Indians, expressed concern over spot shortages of fuel oil, and dug into the so-called "grey market" in nails and other building material.

WHITE HOUSE GETS FOREIGN FUND BILL (N)

WASHINGTON, Dec. 19—(AP) Congress swiftly adopted a $540,000,000 program of emergency aid to France, Italy, Austria and China tonight after nearly five weeks of threshing out the details.

Approval of a compromise measure by both Houses, sending it to President Truman for signature, came just before adjournment of a special session called by the President primarily to enact the stop-gap assistance program.

The bill provides $522,000,000 for France, Italy and Austria and $18,000,000 for China. President Truman had asked $597,000,000 for the three European countries alone.

In addition the bill gives the Army $340,000,000 in occupation funds for Germany, Japan and Korea in place of the $230,000,000 approved earlier by the Senate. The Army had asked $340,000,000.

The House passed the bill by a standing vote, 233 to two and the Senate followed suit immediately by voice vote.

Both Houses previously passed and President Truman signed a bill which authorizes the spending of up to $597,000,000 in stop-gap relief for France, Italy, Austria and China.

This permitted the Reconstruction Finance Corporation to advance $150,000,000 to start the program rolling, but additional funds had to be voted separately by congress. (An "authorization" bill carries no actual funds. It is a legislative preliminary to an apropriations bill).

The foreign aid and occupation funds came under an omnibus appropriations measure which also provided money for reclamation projects, travelling expenses of members of Congress and several other purposes.

Enactment of the foreign aid program, to help France, Italy and Austria until the four-year European recovery program outlined by the President in his message to congress today could go into effect, was Mr. Truman's principal request to the special session.

He asked $597,000,000 for the three European countries alone.

Senate Votes $568,000,000 (N) For Stop-gap Foreign Relief

Washington, Dec. 19 (A. P.).—The Senate voted $568,000,000 winter relief for France, Italy, Austria and China today and sent back to the House a $1,092,000,000 appropriation bill including the aid fund. Passage was by voice vote.

week voted $41,000,000 less for the three European countries and provided no funds for China. It also had cut money for American occupation costs from $490,000,000 to $230,000,000. The Senate knocked out that cut.

The differences between House and Senate will have to be settled before the bill can be sent to President Truman. Agreement on the measure was the only major thing standing in the way of adjournment of the special session which began November 17.

Ban on Dismantling Defeated.

In the Senate, the principal scrap over the appropriation bill came on a provision put in by its appropriations committee. This forbade use of any money for dismantling industrial plants in Germany. It was knocked out.

Action came on voice vote after Senator Vandenberg (R.-Mich.), chairman of the Foreign Relations committee, said that while he favors halting such consignments to Russia, the Senate's action would have had the effect of repudiating American agreement at the Paris conference at which friendly European nations were promised German reparations.

Bridges had said he would favor blowing up German plants rather than permit them to be dismantled and fall into Russia's hands.

Of the amount voted by the Senate, $550,000,000 will go to France, Italy and Austria. This "shot gun" methods of accomplishing it.

Vandenberg promised a full inquiry into the matter by his Foreign Relations Committee as the Senate approved appropriations of $568,000,000 in emergency foreign aid, including $18,000,000 for China. Other items in the appropriation bill containing the foreign aid funds remain for consideration, however, prior to a final vote on passage of the omnibus measure.

$550,000,000 for Europe.

Of the amount voted by the Senate, $550,000,000 will go to France, Italy and Austria. This compares with $597,000,000 asked by the administration for those countries and with $509,000,000 voted yesterday by the House. The House measure did not include any funds for China. Upon passage the Senate action now must be reconciled in conference with the House appropriations.

The Senate Appropriations Committee last night approved $20,000,000 in aid for China but this was trimmed by the Senate to $18,000,000. The action was taken as Vandenberg argued in favor of the appropriation to help China in its battle against Communism. He added, however, that there is "no way" in which the $20,000,000 could be administered under the pending foreign aid measure.

"There is absolutely no plan behind this twenty million dollars," Vandenberg said.

He recalled that there still remained $18,000,000 authorized but not yet appropriated under a foreign aid bill passed earlier this year by which China is getting some $30,000,000. He asked that the present bill be amended to provide this $18,000,000 to assure that "something can be done for China."

Food and Arms for China.

Chairman Bridges of the appropriations committee agreed to Vandenberg's suggestion and the Senate accepted it "without objection." Bridges said that the State Department is "not anxious to give aid to China" and so his committee had inserted the $20,000,000. He said the funds will be used to provide food, small ammunition and other things needed by the Central Government in China.

Vandenberg told the Senate that the fund is "nothing more than a token of our belief. The situation in China has its importance on America's security just as has the situation in Europe."

Vandenberg then turned to the problem of dismantling German plants and shipping them to Russia and her satellites. He promised that the Foreign Relations Committee will explore the matter to its "bare bones" in hearings on the long-range European recovery program beginning January 7.

The House yesterday adopted unanimously a resolution calling on the State Department and the Army for information concerning their policies on dismantling German plants that might be used in German recovery.

Potsdam Agreement Terms.

Under the 1945 wartime Potsdam Agreement, Soviet Russia was alloted 25 per cent of the industrial plants removed from the western occupation zones, in addition to removals from the Soviet zone in eastern Germany.

The agreement called for Russian exchanges of food, coal and other products for 15 per cent of the capital equipment from the western zones, and 10 per cent was to be given Russia without payment of any kind. Plants to be removed are mostly from the metallurgical, chemical and machine manufacturing industries. Occupation authorities in the combined British-American zones have earmarked 682 such plants for removal.

HOUSE APPROVES G.O.P. PRICE BILL BY 281-73 VOTE (N)

WASHINGTON, Dec. 19 — (AP) The Republican plan for voluntary action to bring down the high cost of living was passed by the House, 281 to 73, today and sent to President Truman, who had asked in vain for power to impose compulsory controls.

Officials close to the White House predicted tonight that the President would sign the bill, but at the same time would issue a statement criticizing it. He already has taken the position that it is inadequate and amounts to passing the inflation buck to him.

It provides for self-disciplinary agreements in industry, business and agriculture with a view to combatting inflation. If the President approved the agreements, those entering them would be protected from anti-trust action.

The President had asked for standby power to impose controls on prices and wages and return to rationing in selected areas of the economy.

On the final House vote, 178 Republicans were joined by 102 Democrats and one American-Laborite in support of the Republican bill. Opposing were 44 Democrats and 29 Republicans.

Previously the House rejected, 156 to 73, a Democratic effort to give the President compulsory powers over the allocation of scarce commodities.

Chairman Wolcott (R-Mich) of the House Banking committee shouted that this "would give the President power to control our economy, which could result in its socialization."

Rep. Monroney (D-Okla), who offered the proposal, shouted back that the statement was unfair and not based on fact.

Rep. McCormack of Massachusetts, the Democratic whip, waggled his finger at GOP members and said responsibility for the legislation rests "unconditionally on the Republican party."

Final House action came after Republicans forced through—amid Democratic cries of "gag rule"—procedures prohibiting amendments and limiting debate to one hour.

Losing their battle to open up the measure for presentation of amendments, many Democrats lined up for the GOP measure on final passage. Rep. Spence (D-Ky) told the House "it is this or nothing" and he would support the bill.

Bill On Inflation Passed, Sent To Truman (D)

Washington, Dec. 19 (AP)—The House sent to President Truman without change today the Senate-passed bill for voluntary pricing agreements to hold down living costs.

The vote was 281 to 73.

Democrats made a futile attempt to alter the measure and give the President authority to order allocation of scarce commodities if necessary, but they were overwhelmed by an almost solid Republican front.

Debated Only Two Hours

The bill was passed after only two hours of debate under procedure that prevented free offering of amendments and curtailed debate. Democrats condemned this proce-

DEC 1947

DEC 1947 30.24- 14349

dure as "super gag," but Republicans replied that with Congress adjourning tonight it was the Senate bill or nothing at all.

Forty-four Democrats and 29 Republicans voted against the bill, while 178 Republicans, 102 Democrats and 1 American-Laborite voted for it.

The entire Maryland delegation voted for the bill.

Move To Recommit Beaten

Before final passage, the House defeated on a 156 to 73 standing vote a motion to send the measure back to the Banking Committee for inclusion of authority for the President to divide up scarce commodities when voluntary agreements fail.

The House then headed for the final vote which sent the bill to the President.

Speedy action was required to get the measure through Congress, which is scheduled to adjourn tonight until January 6.

Democrats and Republicans alike devoted preliminary discussion to politics until Representative Smith (D., Va.) reminded them that the country expects Congress to do something about the cost of living.

"We should declare a moratorium on politics for a week or ten days," the Virginian said, "and sit down here just as good Americans."

Bill Called "Shadow Boxing"

Smith called the Taft bill "a piece of shadow boxing" that "doesn't do anything." He said "the profit motive is too deeply ingrained" to expect to submerge it with "frothy talk."

Chairman Allen (R., Ill.) of the Rules Committee defended the "gag" procedure and recalled that Democrats, when they ran the House, resorted to it on numerous occasions.

Both Allen and Republican Leader Halleck, of Indiana, claimed tha only under such procedure could legislation be enacted at this session of Congress.

"It is this or nothing," Halleck said.

203 To 143 For "Gag"

The vote for the "gag" rule was 203 to 143 and, except for a few switches, followed party lines.

The Republicans and Democrats traded almost even on switches in the vote.

Republicans Lemke (N.D.), O'Konski (Wis.), Smith (Ohio) and Stockman (Ore.) joined the Democrats in opposing the limiting procedure, while Democrats Elliott (Cal.), Gathings (Ark.) and Lea (Cal.) voted with the Republicans supporting it.

Heart of the bill is a section permitting the President to encourage industries to make voluntary agreements on keeping prices down. It also continues controls over exports and over rail transportation and allows restrictions on use of grain to make whisky.

Termed "Revival Of NRA"

Representative Smith (R., Ohio) began debate on the bill itself by saying, "This is a revival of NRA."

He argued the legislation would "aggravate inflation, increase shortages and bring back black markets."

Representative Spence (D., Ky.), senior Democrat on the House Banking Committee, said that since nothing better could be passed in the special session he would vote for the bill. But he complained that the bill provides no penalties "to punish those who refuse to comply with voluntary agreements."

Representative Buffett (R., Neb.), another Banking Committee member, said he would like to vote for a "real" anti-inflation measure.

Holds Principle Is Unsound

This bill, Buffett said, "agrees with the principle of Government controls to regulate economic forces, and that can't be done."

Only a majority vote was required under today's procedure.

The House last Monday took up a somewhat similar bill under an even more stringent "gag" rule which required a two-thirds majority for approval. That effort failed when 26 Republicans joined 161 Democrats in voting "no," against 202 GOP "ayes."

Provisions Outlined

Based primarily on voluntary action to halt inflationary price rises, the bill introduced by Senator Taft (R., Ohio) would:

1. Permit the President to consult with industry, business and agriculture representatives to encourage agreements to keep prices in line, but the agreements could not provide for price-fixing.
2. Extend until February 28, 1949, the President's power to control exports.
3. Continue until the same date controls over rail-transportation facilities.
4. Set up a food conservation program in this country and a program to promote food and livestock-feed production in non-European countries, both to be voluntary.
5. Request, but not direct, the President to submit to Congress a detailed program to parcel out cost-of-living items when they reach the "critical shortage" stage.
6. Restore the President's wartime authority to restrict the use of grain in liquor production.

Minority Leader Barkley (Ky.) sparked the losing fight to give the President legal authority to allocate scarce commodities.

The section waiving anti-trust laws for approved industry agreements that do not fix prices was assailed by Senator Morse (R., Ore.), who called for "compulsory legislation that is going to stop inflation."

At his news conference later in the day, Mr. Truman agreed with Morse that the bill amounted to "passing the political buck to the President."

Probe Of Trading Urged

Meanwhile, the Senate-House Economic Committee has recommended a congressional study of measures to "regulate improper or excessive speculative trading" on the grain and other commodity exchanges.

This recommendation is contained in a committee report covering its hearings on Mr. Truman's ten-point anti-inflation program.

One part of that program calls for legislation to authorize the regulation of speculative trading, on which hearings were held early this month.

The economic committee is a special one which has no authority to submit legislation to Congress. Hence it recommended that the further study be made by the regular committees, presumably those on banking and currency.

The House has directed its Public Works Committee to investigate "conspiratorial practices which seriously undermine and threaten the national economy."

Plans Sweeping Inquiry

Chairman Dondero (R., Mich.) told newsmen "we're going to look into the whole picture of conspiratorial and other questionable practices and find out the extent of their pressure on skyrocketing prices generally."

He said major targets of the inquiry will be the lumber, steel, plumbing and automobile industries.

On another front, Walter P. Reuther, president of the CIO-United Auto Workers, said Government and industry have failed to halt inflation and labor will "have no other recourse" than to request higher pay within the next few months.

"I pray God," Reuther told a national press club gathering, "that we will not have an economic Pearl Harbor before we wake up."

SECRETARY RAPS SOVIET POLICIES OF 'FRUSTRATION' (M)

Treaty Settlement Will Have to Await Outcome of Recovery Plan, He Predicts.

CITES BIG 4 FAILURE

Charges Molotov Used London Conference 'For Propaganda Declarations.'

WASHINGTON, Dec. 19—(AP) Secretary of State Marshall said tonight that because of Soviet "frustration" policies, a lasting European peace settlement is yet distant.

It probably will have to await the outcome of Western Europe's efforts—with American assistance—to "restore a healthy society," he predicted.

In a radio talk to the nation, Marshall reported on the break-up of the big four Foreign Ministers conference at London.

He said that until the struggle between Russia and the Western Powers is decided even a "paper agreement" would be difficult.

Blames Molotov

"The Soviet Union has recognized the situation in its frank declaration of hostility and opposition to the European recovery program," Marshall continued.

Placing the blame for failure to reach agreement on Russian Foreign Minister Molotov, Marshall said that at London the Soviet spokesman displayed "no apparent will to reach a settlement."

Molotov, he charged, used the conference "as an opportunity for propaganda declarations which would be pleasant to German ears."

Despite the outcome, which he termed disappointing, Marshall asserted that no real ground was lost or granted, except to make clearer the outlines of problems and obstacles to a lasting peace.

"We cannot look forward to a unified Germany at this time," he advised. "We must do the best we can in the area where our influence can be felt."

His reference presumably was to the 16 nations of Western Europe, including the American British occupation zones in Germany. It was for their economic recovery that President Truman a few hours earlier asked Congress to approve a $17,000,000,000 four-year program of assistance.

Answered Red Charges

The secretary met head-on Russian charges that the Western powers went to the London conference without a sincere purpose of reaching agreement. The truth is, he said, that "we went with a strong determination to bring to an end the division of Germany."

Molotov's "continuous accusations against the good faith, the integrity and purposes" of the Western powers, particularly the United States, he said, had the one purpose of creating confusion.

Detailing the dead-lock over Russia's claim for $10,000,000,000 reparations from Germany, Marshall described it as a key isuse. He accused the Soviets of having taken a "monopolistic strangle hold" over Eastern Germany, making that region "little more than a dependent province of the Soviet Union."

Lists 5 Major Points

Marshall said that the United States delegation decided that, if German unity were to be achieved, the U. S., Britain, Russia and France would have to make five fundamental decisions, which he thus listed:

1. Elimination of artificial zonal barriers to permit free movement of persons, ideas and goods throughout all Germany.
2. Surrender by the occupying powers of properties seized in Germany under the guise of reparations.
3. A currency reform involving new and sound currency for all Germany.
4. A definite decision on future economic burdens on Germany including reparations.
5. An overall export, import plan for all Germany.

No Progress Made, He Says

Progress was made on none of these, Marshall noted. Concluding with the comment that a realistic peace agreement with Russia appeared far distant, Marshall said:

"In the war struggel, Europe was in a large measure shattered. As a result of political vacuum was created and until this vacuum has been filled by the restoration of a healthy European community, it does not appear possible that paper agreements can saure a lasting peace. Agreements between sovereign states are generally the reflection and not the cause of genuine settlements.

"It is for this very reason, I think, that we encountered such opposition to almost every proposal the Western powers agreed upon.

"I fear there can be no settlement until the coming months demonstrate whether or not the civilization of Western Europe will prove vigorous enough to rise above the destructive effects of the war and restore a healthy society," he said.

Cites Red Predictions

"Officials of the Soviet Union and leaders of the Communist parties openly predict that this restoration will not take place. We, on the other hand, are confident in the rehabilitation of Western European civilization with its freedoms.

"Now, until the result of this struggle becomes clearly apparent, there will continue to be a very real difficulty to resolve even on paper agreed terms for a treaty of peace."

Marshall returned from London only this moring and was met at the National airport by President Truman, who told him he had done a good job at the London meeting.

Speaking tonight, Marshall told his fellow Americans that the European situation "must be stabilized."

Reviewing the failure of the foreign ministers of the United States, Russia, Britain and France to come to terms, Marshall said that one "strong reason" for the failure to agree was "the Soviet determination not to relax in any way its hold on Eastern Germany."

No Ground Lost or Gained

"No real ground was lost or gained at the meeting, except that the outlines of the problems and the obstacles are much clearer," Marshall said. "We cannot look forward to a unified Germany at this time. We must do the best we can in the area where our influence can be felt."

Marshall made it plain in his speech that he felt the quickest way to bring a formal peace settlement was for the American-sponsored program for a European recovery to succeed.

Marshall Meets With Truman And Cabinet (D)

DEC 1947

DEC 1947

Washington, Dec. 19 (AP)—Secretary of State Marshall returned today from London and went immediately into a Cabinet meeting with President Truman to give a first-hand report on the collapse of the Big Four Foreign Ministers Conference.

Mr. Truman and other department chiefs welcomed Marshall on his arrival at the National Airport and drove with him to the White House for the regular Friday Cabinet session.

The meeting lasted nearly an hour. Members of the Cabinet would not disclose what Marshall told them, but said his remarks were largely a preview of the nation-wide radio speech he plans at 10 P.M. (E.S.T.) tonight on the failure of the London mission.

"A Good Job"

Mr. Truman, who says he's still hopeful about peace propects, despite the crackup of the London conference, shook hands with Marshall at the airport and assured him "I think you did a good job."

Marshall told reporters:

"I'm sorry I could not bring back profitable results. We had a very strong delegation at the conference and they did a great deal of hard work. I felt fully confident in their judgement and wealth of information to protect the interests of the United States."

Mr. Truman had no direct comment on the London parley at his news conference late yesterday.

Reports On Douglas

The Chief Executive said, however, he isn't at all downhearted; he thinks that eventually there will be peace in the world.

attacks.

I anticipated great difficulty in reaching a comprehensive agreement, but I did have a hope that we might take three or four fundamental decisions which would permit immediate action by the four powers to alleviate the situation in Germany this winter and greatly improve the prospects for all of Europe. That we failed to reach any such agreements is the greatest disappointment.

A Dreary Repetition

The United States delegation went to London with an open mind, as I had stated we would in Chicago, but we went with a strong determination to bring to an end the division of Germany which has existed since the German capitulation. We were also determined that any agreement reached at London should be a genuine workable agreement, and not one which would immediately involve obstruction and frustration in the Allied Control Council when it came to be put into effect in Germany.

I shall review only briefly the interminable discussions during the weeks of debate at London. To us it was but a dreary repetition of what had been said and resaid at the Moscow conference. I shall endeavor, however, to point out the main issues on which the conference deadlocked and give you my estimate of the underlying reasons.

The basic issue, as we saw it before the opening of the London conference, was whether or not the Allies could agree among themselves to reunite Germany.

Soviet Request Accepted

The issue in regard to the Austrian treaty was even simpler and had already emerged clearly at the Moscow conference.

ferent view and insisted that questions on the preparation of a German peace treaty should be given precedence over the questions regarding immediate economic unity for Germany.

In order to get the conference started, it was finally agreed to accept the Soviet request that the preparation of a German peace treaty should be item two on the agenda. As a result, with the exception of one day of discussion of Austria and the Austrian treaty, it was not until after ten days of meetings that the conference really reached the heart of the German question.

Question Of Frontiers

These first ten meetings were devoted to futile and somewhat unreal discussion of the mechanisms for the preparation of an eventual German peace treaty before the question of whether or not there was to be a united Germany had even been considered.

There was one question, however, of real substance during this phase of the discussion which had a direct application not only to a German peace treaty but also to the immediate situation in Germany. This was the question of the present and future frontiers of the German state.

No serious consideration of a peace treaty could be undertaken without first considering what was to be the area of the future German state. Three delegations had already expressed their agreement that the area of the Saar should be separated from Germany and integrated into French economy. Mr. Molotov refused to commit his government on this point.

On this vital matter of frontiers, three delegations agreed to the establishment of a frontier commission or commissions to make an expert study of any proposed changes from the prewar frontiers. Mr. Molotov refused to agree.

Unacceptable To Molotov

It was impossible for me to reconcile his urgent insistence upon the necessity of expediting the preparation for a German peace treaty with his categoric refusal to agree to the appointment of boundary commissions which three delegations considered to be an absolutely essential first step in any serious preparation for a future German peace settlement.

Many other questions concerning the actual preparation of any peace treaty were discussed without agreement.

It was during this stage of the debate that Mr. Molotov insisted that the four powers should agree upon the immediate establishment of a German central government.

Although the United States had been, I believe, the first of the four occupying countries to suggest at Moscow the desirability for the earliest possible establishment of a German provisional central government, it was obvious that until the division of Germany had been healed and conditions created for German political and economic unity, any central government would be a sham and not a reality.

This view was shared by the other western delegations, but to Mr. Molotov it was completely unacceptable. This was the first clear evidence of his purpose to utilize the meeting as an opportunity for propaganda declarations which would be pleasant to German ears.

The Stumbling Block

After several days of consideration by the deputies the Austrian treaty was again brought to the conference table on December 4. The sole issue discussed was the determination of what were the true German assets in eastern Austria to which the Soviet Union was fully entitled by the Potsdam agreement.

This had been the stumbling block in reaching final agreement on the treaty draft, and it was an issue which would determine whether or not Austria would be under such complete economic domination by the Soviet Union that it would be virtually a vassal state.

The French had endeavored to break the impasse by submitting a compromise proposal, but this was categorically refused by the Soviet delegate. In the last hour of the final session of the conference Mr. Molotov indicated an apparent willingness to accept a percentage reduction in the Soviet claims, without specifying the actual amount involved in his proposal. The matter was immediately referred to the deputies and I was informed just prior to my departure from England that the Soviet Government would submit later a detailed proposition.

It was not until the tenth meeting that the conference finally came to the heart of the problem—to a consideration of the harsh realities of the existing situation in Germany.

General Issue Simple

Several more days were to elapse, however, before the Council really came to grips with these realities. Discussions of procedure—of what document to discuss—again intervened to delay our work. However, on Monday, December 8, the procedural issues were resolved and the Council began the consideration of the fundamental issues which eventually led to the adjournment of the session without agreement.

I shall endeavor to indicate briefly what issues were without reciting the involved and prolonged discussions over individual items.

The general issue was simple. It was whether or not Germany was to continue divided or whether the Allies could agree to recreate a unified Germany. Unless this could be achieved, all other questions relating to Germany would remain academic.

What, then, were the particular obstacles to the achievement of German economic and political unity?

Currency Reform Cited

The United States delegation considered that there were certain fundamental decisions which the four occupying powers should take if German unity was to be achieved. These were:

1. The elimination of the artificial zonal barriers to permit free movement of persons, ideas and goods throughout the whole territory of Germany.

2. The relinquishment by the occupying powers of ownership of properties in Germany seized under the guise of reparations without four-power agreement.

3. A currency reform involving the introduction of new and sound currency for all Germany.

4. A definite determination of the economic burdens which Germany would be called upon to bear in the future; that is, the costs of occupation, repayment of sums advanced by the occupying powers, and reparations.

5. An overall export-import plan for all of Germany.

When these basic measures had been put into effect by the occupying powers, then the establishment under proper safeguards of a provisional government for all Germany should be undertaken

A Key Issue In Reparations

Reparations soon emerged as a key issue. For the benefit of those not fully familiar with past negotiations on this subject I wish to explain that a definite agreement had been concluded two years ago at Potsdam that reparation payments would be made by the transfer of surplus capital assets; that is, factories, machinery and assets abroad, and not by payments from time to time out of the daily output of German production.

One reason for this decision was to avoid an issue that would continue through the years between Germany and the Allies and between the Allies themselves concerning her ability to pay, and the actual value of payments which had been made in goods. Also, it was clearly evident that for many years Germany would be involved in a desperate struggle to build up sufficient foreign trade to pay for the food and other items on which she will be dependent from outside sources.

The best sample of this phase of the sitauation that I can give is the present necessity for great Britain and the United States to pay out some $700,000,000 a year to provide the food and other items to prevent starvation and rather complete disintegration of that portion of Germany occupied by our forces.

Russian Strangle Hold

In other words reparations from current production—that is, exports of day-to-day German production with no return—could be made only if the countries at present supplying Germany—notably the United States—foot the bill. We put in and the Russians take out.

This economic truth, however, is only one aspect of Soviet reparation claims. In the eastern zone of Germany the Soviet Union has been taking reparations from current production and has also, under the guise of reparation, seized vast holdings and formed them into a gigantic trust embracing a substantial part of the industry of that zone. This has resulted in a type of monopolistic strangle hold over the economic and political life of eastern Germany which makes that region little more than a dependent province of the Soviet Union.

A very strong reason, in my opinion, for our failure to agree at London, was the Soviet determination not to relax in any way its hold on eastern Germany. Acceptance of their claims for reparations from current production from the western zones would extend that strangle hold over the future economic life of all Germany.

The Soviet position was nowhere more clearly indicated than by Mr. Molotov's categoric refusal to furnish the Council of Foreign Ministers with information concerning the reparations already taken from the eastern zone or indeed any information at all concerning the situation there, until full agreements had been reached. In effect, we were to tell them what has occurred in the western zones, which we had already done, and they tell us nothing.

No Real Ground Lost

That refusal to provide information absolutely essential for decisions as to the organization of German unity would by itself have made any agreement impossible. A remarkable illustration of the So-

Marshall's Address To Nation

Washington, Dec. 19 (AP)—The text of Secretary of State George C. Marshall's address to the nation on the results of the meeting in London of the Big Four foreign ministers:

The result of the recent meeting of the Council of Foreign Ministers in London was disappointing. I realize that the many lengthy statements and the frequent and fundamental disagreements were very confusing to the general public.

Also, the continuous accusations against the good faith, the integrity and the purposes of the governments of the Western powers, particularly the United States, necessarily added greatly to the confusion. This was, as a matter of fact, one of the purposes of these

Because the two main issues which I have outlined would be the controlling factors in our discussions, three of the delegations had agreed that the Austrian treaty should be considered first and the economic principles to govern the treatment of Germainy as an economic whole should come second. We felt that this order was logical and necessary if we were to debate with any prospect of success the remaining items on our agenda.

The Soviet delegation held a dif-

DEC 1947

DEC 1947

viet position in this matter was their carping criticism of the economic procedure in our zones which we freely publish for the world to read, while virtually in the same breath blandly refusing to provide any data at all concerning their zone.

It finally became clear that we could make no progress at this time—that there was no apparent will to reach a settlement but only an interest in making more and more speeches intended for another audience. So I suggested that we adjourn.

No real ground was lost or gained at the meeting, except that the outlines of the problems and the obstacles are much clearer. We cannot look forward to a unified Germany at this time. We must do the best we can in the area where our influence can be felt.

All must recognize that the difficulties to be overcome are immense. The problems concerned with the treaty settlements for Italy and the satellite countries were simple by comparison since none of those countries were divided into zones of occupation and all of them had an existing form of government. Germany, by contrast, is subdivided into four pieces—four zones. No trace of national government remains.

Political Vacuum Created

There is another and I think even more fundamental reason for the frustration we have encountered in our endeavor to reach a realistic agreement for a peace settlement. In the war struggle Europe was in a large measure shattered. As a result a political vacuum was created and until this vacuum has been filled by the restoration of a healthy European community, it does not appear possible that paper agreements can assure a lasting peace. Agreements between sovereign states are generally the reflection and not the cause of genuine settlements.

It is for this very reason, I think, that we encountered such complete opposition to almost every proposal the western powers agreed upon. The Soviet Union has recognized the situation in its frank declaration of hostility and opposition to the European recovery program.

The success of such a program would necessarily mean the establishment of a balance in which the sixteen western nations, who have bound their hopes and efforts together, would be rehabilitated, strong in forms of government which guarantee true freedom, opportunity to the individual, and protection against the terror of governmental tyranny.

Stabilization Urged

The issue is really clear-cut and I fear there can be no settlement until the coming months demonstrate whether or not the civilization of western Europe will prove vigorous enough to rise above the destructive effects of the war and restore a healthy society. Officials of the Soviet Union and leaders of the Communist parties openly predict that this restoration will not take place. We, on the other hand, are confident in the rehabilitation of western European civilization with its freedoms.

Now, until the result of this struggle becomes clearly apparent, there will continue to be a very real difficulty to resolve even on paper agreed terms for a treaty of peace. The situation must be stabilized. Western nations at the very least must be firmly established on a basis of Government and freedoms that will preserve all that has been gained in the past centuries by there nations and all that their co-operation promises for the future.

Australian Wheat To Supply Britain

London, Dec. 19 (AP)—Food Minister John Strachey said today the new British-Australian agreement, announced yesterday in Sydney, should enable Britain to get along without United States wheat during the 1947-48 crop year.

Britain spent £10,000,000 ($40,000,000) on United States wheat in 1946.

The new agreement provides for delivery o 90,000,000 bushels from Austral at the cost of 17 Australian illings ($2.75) a bushel.

In event of a big Australian harvest, deliveries will be increased to 85,000,000 bushels.

To Save Dollars

Strachey, describing the agreement as a "dollar-saving measure," told the House of Commons it should enable Britain to "avoid making any requests for wheat from the United States in this crop year."

Whitehall sources said the agreement, linked with the new Canadian trade pact announced in Ottawa yesterday, portended an important improvement in Britain's food position despite collapse of Anglo-Yugoslav trade negotiations.

Talks with a Yugoslav mission broke down early today, principally because British negotiators were unable to guarantee delivery dates for British-manufactured goods.

ATTLEE BACKS REGIME

LONDON, Dec. 19 — (AP) Prime Minister Clement Attlee tonight compared his Labor government to a train and said that "we intend to keep running while the signals are not at danger, and the electoral signals so far are in our favor."

Speaking at the diamond jubilee celebration of the Society of Locomotive Engineers and Firemen, Attlee said people in many parts of the world "had a false impression of what was happening in Britain—they thought it was down and out. People from overseas who call to see me say they have been misinformed and declare we have a great spirit here."

Malishev a Soviet Vice Premier

LONDON, Dec. 19 (AP)—The Moscow radio said tonight that V. A. Malishev, Minister of the Transport Machine-Building Industry since March, 1946, had been appointed a vice chairman of the Soviet Union's Council of Ministers (Cabinet). The radio last night announced appointment of L. M. Kaganovitch to a similar post.

Minority Labor Split In France (N)

L. NEVIN

Paris, Dec. 19 (AP)—The anti-Communist minority seceded from the Communist-dominated General Confederation of Labor today as the result of the recent wave of nation-wide strikes.

The wide-open split in French labor was voted by delegates to a national conference of the "workers' force," the anti-Communist wing of the General Confederation of Labor (CGT) which coalesced during the strikes and centered about the personality of Leon Jouhaux, long-time secretary of the CGT and now cosecretary with a Communist.

The faction is estimated to have 1,000,000 of the federation's 6,000,000 members, but about a quarter of the CGT members are estimated to have refused to pay their dues.

Assails Political Control

The resolution to secede charged the Communist leadership had not hesitated to "hurl the working class into an adventure which could only destroy syndical unity" for reasons foreign to unionism. The resolution declared a crusade to "free the French syndical movement from all political control."

Led by representatives of the coal miners and metal workers, the secessionists mustered 156 votes to 1 for the resolution. Immediately all minority representatives resigned their CGT posts and began preparing for a national congress to organize an opposition federation dedicated to "the total emancipation of the working class."

3,000,000 Were Idle

Shortly before the vote, Jouhaux had cautioned against a split, but he later said he would vote for the resolution.

France's wave of strikes, which approached a general walkout at one time when 3,000,000 men were estimated idle, ended nine days ago after a month of strife when the General Confederation called off the stoppages in the face of strong anti-strike and anti-sabotage legislation obtained by the Government of Premier Robert Schuman.

Although the Communists claimed a victory in the increase of the minimum monthly wage from 7,000 francs ($58) to 10,000 francs ($87), 800 francs short of their demands, their communiqué said the workers were going back to their jobs "with death in their hearts."

Price-Wage Balance

One of the terms of the settlement was a Government promise to formulate an overall economic policy to balance wages and prices.

The Cabinet today completed that program and Rene Mayer, Finance Minister, presented it to the National Assembly.

Designed to halt inflation, the program called for stiffer taxes to siphon off some surplus spending power, and a 1948 balanced budget except for 230,000,000,000 francs (about $2,000,000,000) spent for reconstruction and re-equipment the past year.

Mayer indicated a large part of the program was based on the assumption American interim and Marshall-plan aid would be received.

Heavy Income Tax

The Government asked approval for an extraordinary profits tax on corporations and farmers and a heavy income tax on persons with a yearly income of more than 750,000 francs (about $6,250) to cover most of the 1947 reconstruction expenses.

Mayer said the Government would tax night clubs and "loafers" heavily. He said Government controls would be lifted from several sectors of French economy, but would be maintained on basic products such as iron and coal.

ANTI-REDS QUIT FRENCH LABOR CONFEDERATION

Delegates Representing 1,000,000 Workers Vote Split, 156-1 (D)

OPPOSE POLITICAL CONTROL

Break With C. G. T. Comes as Government Completes Stability Program.

L. NEVIN

Paris, Dec. 19 (A. P.)—The ranks of French labor were split wide open today by secession of the anti-Communist minority from the Communist-dominated General Confederation of Labor (C. G. T.).

The break came as the French Government completed a program to bring economic stability to the nation.

A communique issued by delegates of the minority bloc, which represents more than 1,000,000 workers, said the split was intended "to free the French syndical movement from all political control." The C. G. T. claims a membership of 6,000,000. However, some 1,500,000 of its members are reported refusing to pay their dues.

The anti-Communists are headed by Leon Jouhaux, who was secretary-general of the C. G. T. Representatives of coal miners and metal workers led the movement for the break.

Resign Posts.

The resolution approving the split was adopted 156 to 1, with two abstentions. All minority representatives thereupon resigned their C. G. T. posts.

The C. G. T. administrative commission issued a communique saying majority members felt "the reasons for this action were foreign to the interests of the workers, democracy, the nation and peace." It said the federation's business would continue.

The Government's economic program, designed to balance prices and wages in an effort to halt inflation, was presented to the National Assembly by Economic Czar Rene Mayer.

He also gave the deputies the estimated French budget for 1948. It was approximately in balance except for about $2,000,000,000 for reconstruction and re-equipment during the past year.

Asks New Profit Tax.

The Government asked the Assembly to approve the levying of an extraordinary profits tax on corporations and farmers and heavy income taxes on persons having an annual income of more than 750,000 francs (about $6,250) to cover most of the 1947 reconstruction costs.

The minority group, known as the "Workers' Force," directed its followers to prepare for a national congress to set up a "true confederal organization for all workers," and appealed to all French workers to support the new movement "for the total emancipation of the working class."

"The national conference of the Workers' Force renews its demand for the independence of the labor movement with regard to all political parties and all governments of no matter what tendency," a statement said.

The minority charged that the majority, "for reasons foreign to syndicalism, did not hesitate to hurl the working class into an adventure which could only destroy syndical unity" during the recent strikes.

3 French Civilians Expelled By Russia

Paris, Dec. 19 (A.)—Three French civilians, expelled from Russia

DEC 1947

30.24- 14351

after the recent deportations of Soviet citizens from France, told French police today they had been obliged to leave their homes in Russia without baggage, money or the possibility of bidding goodby to their families.

The three were a man and two married women. They were taken into consultation at headquarters of the Territorial Surveillance (French counterespionage). They described themselves as "penniless."

LEGALITY ISSUE IN KRUPP TRIAL

American Lawyer To Carry His Rejection To U.S. Court

Nuernberg, Germany, Dec. 19 (AP)—Denial of American counsel to Alfred Krupp, German armament firm head, today opened the way for a new test of the legality o fthe Nuernberg war crimes tribunals before the United States Federal District Court in Washington, D.C.

The American military tribunal hearing the war crimes case against Krupp ruled that the attorney whom Krupp requested, Earl J. Carroll, of Hayward, Cal., was not qualified to appear as deefnse counsel in Nuernberg.

To Take Issue To Washington

Carroll announced he would take the issue to Washington next week and file a writ of prohibition against the American Secretary of Defense to halt the trial on grounds that Krupp had been denied counsel of his own choice and that the court itself was illegally formed.

In making a second request for Carroll's services, Krupp said it was essential to his defense and in the interests of a fair trial before an American tribunal that he be represented by counsel familiar with American procedure.

Carroll contends that the tribunals actually are American military commissions bound by American law and procedure, but do not conform to the required practice of Senate approval of appointments to the courts.

Called International Courts

The American prosecution holds that the tribunals are international courts whose jurisdiction stems from four-power agreement and that they are outside the American judicial system.

The question of whether the United States Supreme Court has jurisdiction over the Nuernberg tribunals already is pending in the case of some of the chief Nazi doctors and medical practitioners convicted of war crimes.

VEILED THREAT GOES TO ALLIES

Russ-Licensed Paper Suggests Request To Leave Berlin

Berlin, Dec. 19 (AP)—For the second time a Soviet-licensed Berlin newspaper suggested today that the western allies may be asked to leave Berlin.

This time it was the official Soviet newspaper *Taegliche Rundschau*, which gave a veiled warning that if a western German government is set up the French, British and Americans might be asked to leave the former German capital.

'Logical' Withdrawal Seen

Two days ago Berlin *Am Mittag*, a Soviet-licensed newspaper, said it would be "logical" for them to withdraw if the four-power agreement by which Berlin is governed is voided.

Taegliche Rundschau said the four-power occupation of Berlin was based on the Yalta agreement which made Berlin the seat of the Allied Control Council for four-power administration of Germany.

"The corollary is that as long as such administration exists and the Control Council functions there will also continue quadripartite administration of Berlin," the paper added. "No doubt the position will change if four-power administration becomes fictitious."

Clay Expresses Hopes

Western German political party leaders meeting at Frankfurt in the American zone have stressed that they were not planning a western German state, though they are advocating strengthened and reorganized German institutions for the administration of the British-American zones.

Gen. Lucius D. Clay, American military commander, has said he "expected and hoped" the control council would continue to function in Berlin.

Russ Prevent Yule Fete For Orphans

Berlin, Dec. 19 (AP) — A four-power Christmas show, scheduled to be held here Sunday for the benefit of Berlin's orphans, was called off today after the Russians withdrew because of a misunderstanding with the Americans.

The big party, at the State Opera in the Russian sector of the city, was to have featured an appearance by the boys' choir of the City of Dresden, in the Russian occupation zone.

"Russians Back Out"

The misunderstanding which caused the Russians to walk out developed when someone asserted that the leader of the Dresden choir was not a "de-Nazified" Nazi and that this prejudiced his choir.

Michael Josselson, an official in the American military government's information control division, gave this version:

"The show has been called off because the Russians backed out. The reason they gave was an assertion that the Americans had barred the Dresden choir from appearing in the United States sector of the city because its leader had been a Nazi party member.

"We checked on this and found that a German employé in AMG had given out such information. I immediately called the Russians and explained that this was incorrect and that the German involved had no authority whatsoever.

"We explained that we accepted the Russian statement that they had de-Nazified the choir leader. Apparently our call was too late and the misunderstanding could not be repaired."

GASPERI WINS ASSEMBLY VOTE

Seeks To Avert Nation-Wide Food-Handler Strike

Rome, *Saturday*, Dec. 20 (AP)—The de Gasperi Government gained a new vote of confidence last night and then went ahead with efforts to head off a nation-wide strike of some 300,000 food handlers called for today.

Amintore Fanfani, Labor Minister, and other Government officials still were meeting with workers and owners in food industries between whom contract negotiations had broken down.

The strike would affect food factories, stores and shops. Bakeries, milk distributors and ice plants would not be hit.

Premier Alcide de Gasperi, hard pressed by Leftist criticism and demonstrations, won the vote of confidence in the Constituent Assembly.

9 Hurt In Sicily Violence

The vote capped a turbulent day in which nine persons were reported hurt in Caltanissetta in Sicily's second outbreak of violence in two days, and even as it was being taken, a bomb was thrown against Communist party regional headquarters in Rome, damaging the building but injuring no one.

The Assembly approved an order of the day saying it had heard and approved Government declarations of policy. The roll call of 435 deputies showed 303 for the order and 118 Communists and pro-Communist Socialists opposed. Fourteen did not vote.

Supporting de Gasperi's Government were his Christian Democrats and most deputies of the Republican and Labor Socialist parties, admitted to the Cabinet this week, and of the Liberal party and Uomo Qualunque (Common Man) movement.

Hour-Long Reply

Before the vote, the Communists and their Socialist allies criticized the Government at length, and de Gasperi gave an hour-long reply.

The Interior Ministry, reporting the trouble in Caltanissetta, said strikers blockaded the city hall and resorted to gunfire and grenades when police charged them.

The ministry said Leftists blocked off the city hall to prevent a meeting of the city council which was to elect a new Christian Democrat mayor. When police sounded warning trumpets and charged, the Leftists dispersed but reformed. Police charged a second time, and were met with bullets and small bombs, the ministry said.

Rome newspapers reported that one corporal of Carabinieri, two police agents and six demonstrators were injured.

Violence also broke out inside the building when the father of a councilman drew a pistol to protect his son and was injured in the scuffle to disarm him, the ministry added.

A general strike continued at Caltanissetta, another one was called at Messina, and others were threatened at Agrigento and Trampani, all in Sicily.

The workers were protesting that promised pay bonuses had not been received.

General strikes at Palermo, the Sicilian capital, and Catania ended Wednesday night after three days. The windup of the walkout at Palermo was marked by a clash in front of the municipal building, where Anso news agency said thirteen persons were injured.

Inquiry Demanded

A dispatch to the extreme Leftist newspaper, *La Republica*, said 60 persons were injured in the rioting at Palermo. This account also said that the Chamber of Labor at Caltanissetta had demanded an inquiry into the disorders there.

Premier de Gasperi, replying to attacks by the Left, warned the Communists that if they "turn to violence then we must apply the law."

Declaring the Government asks no more of the Communists than it does of other parties, the Premier said: "What we ask is respect for democratic methods. . . . Our will is to defend liberty at any cost."

Referring to Communist charges of United States imperialism, the Premier said if these charges were true America would not be striving to aid Europe's reconstruction.

"The truth is," de Gasperi said, "that if the United States had not sent goods, no government (in Italy) would have been able to confront the reaction of the hungry and jobless."

Either the Marshall plan or a substitute for it will succeed, de Gasperi said, "or there will be no hope for Italy."

De Gasperi Plea For Confidence Vote Expected

Rome, Dec. 19 (AP)—Galled by a continuous barrage of criticism from the far left, Premier Alcide de Gasperi was expected today to ask the Constituent Assembly for a new vote of confidence as grow ing labor strife convulsed Italy.

Violence flared up both on the assembly floor and on the labor front last night, and the country faced its second nation-wide strike in a month—that of 300,000 food-handlers whose walkout was scheduled to begin tomorrow.

In Palermo, the first city of Sicily, ten persons were reported to have been wounded in a gun battle before the City Hall. Dispatches said the melee occurred after a general strike in Palermo had ended, when 3,000 strikers tried to invade the building.

Nine Hurt At Caltaniessetta

Three policemen and six demonstrators were reported injured in Caltaniessetta, another Sicilian town experiencing a general strike, when Leftists tried to prevent the City Council from meeting to elect a Christian Democrat mayor.

Five persons died and ten were injured in an explosion at a clandestine fireworks factory near Naples, Rome newspapers reported.

Police were quoted as saying they believed the blast, which occurred as workers were trying to get powder from artillery shells for fireworks.

Communist Makes Charge

On the assembly floor, Communist leader Palmiro Togliatti accused the Government of "subservience and complete obedience" to the United States, and then turned on the Republicans, who earlier this week joined the middle-of-the-road de Gasperi Cabinet, from which Communists were purged last May.

"You are dragging in the mud the banners of a party which had glorious national traditions," he said.

Giuseppe Chiosterci, 59, a member of the Republican party charged out of his seat, swinging his fists at a Communist. Other deputies pitched into the fight and Umberto Terracini, the Communist speaker, recessed the session for 30 minutes to end the fracas and permit tempers to cool.

Sforza Replies

Foreign Minister Carlo Sforza then rose to give part of the Government's answer to Togliatti's charges, an answer which de Gasperi is expected to complete before asking a new confidence vote.

"We are aiming," Sforza said, "at a united Europe and it is clear that a united Europe will not obey any country."

The food handlers strike, involving workers in food and candy plants, stores, distilleries and mills, threatened to deprive many of Christmas treats. Bakeries, milk ...utors and ice handlers are in ne... from the strike call, ...blamed on a breakdown ...ns for a new contract.

DEC 1947

DEC 1947

30.24- 14353

Threats Of New Strikes

General strikes in Palermo and Catania ended yesterday, but there were threats of new strikes in Syracuse, Argrigento and Trapani, all in Sicily, and a general strike was called in Messina, Sicily. All were for pay bonuses not received.

A miners' strike at Castelnuovo dei Sabbioni, near Florence, continued. Three thousand workers there were protesting the dismissal of 1,500 others.

The newspaper *Momento-Sera* said trains from Pescara, on the Adriatic coast, arrived late in Rome because workers at Roviano sat on the tracks. Police removed them but the trains lost more time by similar actions at Mandela and Vicovaro.

Embassy Denies Charge

Rome newspapers reported that United States Ambassador James C. Dunn had recommended suspension of American shipments to Italy in retaliation for Togliatti's blast last night, but the embassy issued a formal denial.

The independent morning newspaper *Il Momento* said the Ambassador had urged suspension of supply shipments because of the Communist leader's assertions that Dunn had been holding conferences with Italian industrialists.

An embassy spokesman quoted Dunn as saying:

"There is no truth in the story."

Austria Seizes 50 For Nazi Activities

Vienna, Dec. 19 (AP)—The Interior Ministry announced today that 50 persons have been arrested throughout Austria in the past two weeks for black-market operations and suspected Nazi activities.

The Ministry said several of those picked up told officials the black-market profits were to be used primarily in the establishment of an underground organization.

ROMANIA SIGNS MUTUAL AID PACT WITH YUGOSLAVIA

BUCHAREST, Romania, Dec. 19—(AP) Premier Marshal Tito of Yugoslavia today announced the signing of a Yugoslav-Romanian mutual assistance pact—the final link in a five-power Danubian defense chain.

Eleven days ago Tito signed a mutual aid pact with Hungary and last month he reached an accord with Bulgaria. A similar pact also was siged by Bulgaria and Albania. Hungary is reported considering similar treaties with Romania and Bulgarian (all the countries involved are in the Russian sphere).

Addressing 300,000 persons who waited several hours in a snowstorm to hear him, Tito said the pact had created "a front of peace, a front of peaceful development, a front against the warmongers and a front for a better future."

Gheorghie-Gheorghiu-Dej, Romania's Communist minister of trade and industry, declared the pact constituted an expression of the will of the two peoples to defend their liberty and sovereignty and said that the treaty would contribute to the consolidation of "the democratic and anti-imperialistic front."

Later, Marshal Tito held a conference for the Romanian and foreign press. He smoked a cigarette in an ebony, pipe-shaped holder and displayed a diamond ring on the left hand.

Tito said "naturally the armies of both countries will cooperate more closely in order to assure the maintenance of the fundamental liberties and independence of their countries."

A Romanian major representing the official army paper asked what Romania and Yugoslavia would do about the "urge of imperialistic adventures."

"As long as the road to political negotiations is opened the armies have no business to be mixed up in this thing," Tito answered.

Nobel Winner Fined As Norse Pro-Nazi

Oslo, Dec. 19 (A. P.).—Knut Hamsun, 88-year-old Nobel prize-winning author, was sentenced today to pay 425,000 kroner ($85,000) as damages for pro-Nazi articles written during the German occupation of Norway.

Hamsun was a member of the Norwegian Nazi party during the occupation. The suit was filed by the Norwegian Directorate of Reparations after the State had decided not to charge him with treason.

Hamsun won the Nobel prize for literature in 1919.

SWEDEN TO GET GRAIN UNDER PACT WITH REDS

STOCKHOLM, Dec. 19 (AP)—Sweden will get 50,000 tons of wheat and 15,000 tons of rye from Russia during 1948 under a new trade agreement announced here tonight.

The agreement is wholly separate from the $28,000,000 Swedish credit granted in 1946. It foresees an exchange amounting to 30,000,000 crowns ($8,355,000) in each direction.

Sweden will export steel, ball bearings, machinery and other goods as well as breeding animals. Imports from Russia besides grain include manganese and chromium ore, asbestos and apatite.

Lower Ruble Rate Costs U.S. Embassy About $50,000

Moscow, Dec. 19 (AP)—The United States Embassy estimated today it lost about $50,000 through Russia's revaluation of the ruble, and a spokesman indicated it might take special action by Congress to keep the Embassy going on its present basis. T. WHITNEY

The Embassy was caught in a snare because of the State Department's own rules, a spokesman said. Theoretically, under State Department regulations, an Embassy officer could be held responsible for the entire $50,000 loss, he said, explaining:

The State Department rules said no embassy could keep more than $100 on hand, and that an officer would be responsible for any loss incurred in violation of the edict. But the Embassy, of necessity, had to keep thousands of dollars in cash on hand.

Bank Account Barred

The Embassy could not keep a bank account. The Comptroller General does not allow United States representatives abroad to pay the costs of such accounts, the spokesman added.

When revaluation came, the Embassy still had a large amount of the old ruble currency on hand, despite frantic attempts to get rid of it as fast as possible by paying up bills.

Congressional Appropriation

Russia is paying off only one new ruble for ten old rubles presented for cash exchange.

The Embassy would have fared better had it been permitted to keep a bank account. The bank accounts of other foreign missions exchanged one old for one new ruble within certain limits.

The Embassy is operating under Congressional appropriations voted a year in advance. This gives little opportunity to the Embassy to get sufficient money together to keep the establishment on its present basis. Congress, thus, may have to act.

In addition, the Embassy is facing increased expenses because of Russia's change in the diplomatic exchange rate from 12 rubles to the dollar to 8 to the dollar.

Speculators Arrested

Meanwhile, Russian police cracked down on speculators. The newspaper Moscow *Bolshevik* said prosecutors had arrested a number of persons who were reselling boots and galoshes at high prices on the open market.

Izvestia, the Government newspaper, hailed the end of rationing and the revaluation of the ruble was assuring further price reductions "after a while."

In an editorial *Izvestia* said the nation calls upon all collectives to develop active competition "in turning out bigger and better consumer items."

JEWS STRIKE BL AT ARAB 'INVASION'

Five Children Among 10 Killed in Hagana Attack on Border Village.

JERUSALEM, Dec. 19—(AP) Jewish fighters—launching what Jewish sources described as the first blow to counter the Arab "invasion" of Palestine—killed Arabs and wounded five others today in an attack on the border village of Khisas.

Subsequently the Palestine government clamped a highway curfew on this upper Galilee area, prohibiting the movement of all Jewish vehicles for 36 hours.

Shortly after the toll in the Khisas attack had been counted the Arabs struck back by raking a convoy of buses in the Judean foothills with automatic weapon fire. One Jew was killed and three others were wounded in this attack near Latroun.

Trench warfare developed near Tel Aviv.

A freight train was halted and stripped of some of its cargo by 100 armed Arabs.

The importance of the typewriter in the struggle between the Jews and Arabs was highlighted when a business training school in Tel Aviv was held up by a group of Jews. As the men walked out with 12 of the machines, one of them said: "We need these for political purposes."

Overall Toll Set at 400

At least 14 persons were killed during the day bringing to 280 the number of deaths in the Holy Land since the United Nations voted for partition on Nov. 29. The toll throughout the Middle East exceeded 400.

Jewish informants said warriors of Hagana shot up Khisas to halt "infiltration" by members of the volunteer army commanded by Fawzi Bel Al Kaukji. These Arab fighters, the sources said have been slipping across the Palestine border and hiding out in Khisas, located just two miles from the point where the Palestine-Syria-Lebanon borders join.

An official account said police found that five of the dead Arabs were children. Two Syrians and two Lebanese Arabs were listed among the casualties.

A Jewish agency spokesman said the killing of the children was "unfortunate." An agency for Hagana said "our men will apologize to the villagers for the killing of women and children but we must tell them also that they subject themselves to such dangers by harboring Arab desperadoes."

Bombs Are Hurled

The attacking force sped into the town in two automobiles and began hurling bombs. The casualties were found in the wreckage of two houses destroyed during the fighting.

The Jews said Khisas also was "known to be the headquarters" of an Arab group which attacked a Jewish food cart near Kfar Giladi and killed a settlement policeman.

The village is near the route from Damascus where Arab volunteer forces have been training for the fight against the division of Palestine into Arab and Jewish states.

Arab sources have said Kaukji's army was moving 2,000 guerrillas from Syria to join Palestine Arab forces near Nablus. add

10 Arabs Slain, 5 Wounded In New Clash

Jerusalem, Dec. 19 (AP)—Jews killed five Arab children and five adults today in an attack on the border village of Khisas, which the underground defense force, Hagana, said was being used as a hideout for infiltrating volunteers of Fawzi Kaukji's "Save Palestine" army.

Five others were wounded in the village, which is 2½ miles inside Palestine in upper Galilee. Hagana said also that Khisas was "known to be headquarters" of an Arab band which attacked a Jewish food cart near Kfar Giladi and killed a settlement policeman.

These and three other deaths ran the death toll to 279 in communal disorders since the United Nations voted November 29 to partition Palestine.

Determined To Fight

Prime ministers of the seven near-by Arab states turned homeward from the Arab League meeting in Cairo, where they "determined to indulge in the battle imposed upon them" by partition.

Arab informants have indicated Fawzi Kaukji's army would be a volunteer force, in the manner of the Italian assistance to Franco in Spain, until regular armies are thrown against the Jews in Palestine when the British troops leave in August.

Premier Saleh Jabr, of Iraq reached Baghdad, and reports from that capital said he had started a "campaign to implement the battle against the proposed Jewish state."

The Arab League in Cairo resolved to "continue the fight until a victorious end." Arab informants

DEC 1947

DEC 1947

said volunteer armies were training already in Syria and Lebanon to "drive Jews into the sea."

Christian Jew Attacked

In the old city of Jerusalem, a crowd of Arabs attacked Yosef Hirschfeld, identified as a Christian Jew. Police rescued him in a Christian church and treated him for a bullet wound and head injuries. A Jewish policeman was fired on in Mamillah street of Jerusalem and "arsonists" were reported to have fired a Jewish stationery shop in Julian's Way.

Hagana sources said they bombed a house which was headquarters of an Arab band at Khisas and killed four Arabs. Official reports said two houses were destroyed. In one police found five dead children and two slain adults.

Two Houses Destroyed

An official report said two cars of Jews drove into the village in darkness, threw a number of bombs and opened fire. Two houses were destroyed.

A police patrol found seven bodies in the ruins of one of the houses and three in the other.

Two Syrians and two Lebanese Arabs were listed among the casualties.

Other violence developed elsewhere in the Holy Land.

Hagana fighters stormed shallow trenches dug by Arabs outside Holon village, near Tel Aviv, causing the death of one Arab. Three Arabs and two Hanaga members were wounded.

Hagana spokesmen said the trenches had been dug under cover of Arab sniping from the village of Tel Errish.

Dr. Chaim Kugel, president of the Holon City Council, said he had requested that a detachment of British troops be sent to "occupy" Holon.

Meanwhile, a band of about 100 persons whom officers believed to have been Arabs, exploded a bomb on the right-of-way and held up a freight train on the Haifa-Lydda line. The attackers loaded 35 tons of sugar onto waiting trucks and drove off.

There were no casualties in the attack and the train was not damaged.

In the Jaffa-Tel Aviv border area one Arab was killed and the Arab owner of a furniture factory, which was bombed last night, was wounded by gunfire while inspecting the damage.

A Jew was shot to death by unidentified persons near the little mosque of Haifa's eastern gate.

Saudi Arabia (N) On Americans

Cairo, Dec. 19 (AP)—The Saudi Arabian Legation issued a Foreign Office communiqué tonight emphasizing King Ibn Saud's intention to prevent any attacks upon Americans in his kingdom that might result from the Palestine partition plan.

At the same time, the communiqué also emphasized that the King would spare no effort in urging the United States and Great Britain to abandon the United Nations Palestine decision and in warning them of the "serious consequences" it might bring.

The statement spoke of a recent interview in which Ibn Saud was quoted as saying that, despite the decision, he would protect Americans working in Saudi Arabia and would not cancel oil concessions of the Arabian-American Oil Company.

Religious Order

The communiqué said the King had talked of economic affairs.

"He was asked whether lives and properties of Americans were threatened by any attack," the statement said, "and his Majesty's answer was that he would prevent any such attacks, first because he had pledged their protection and secondly because religion orders the protection of those who seek it."

Ibn Saud and his country stand with other Arab nations in not recognizing the legality of the United Nations decision, the communiqué said, and in resisting Zionism and the execution of the decision.

The communiqué said the King extended to Russia the friendship accorded all members of the United Nations, but added:

"As to communism, this is something different. There is no trace of it in his country, and he will not admit it and resists its penetration into his country."

Arab Hostility Halts Work On U.S. Pipeline (N)

Cairo, Dec. 19 (AP)—Arab hostility over American support for the partition of Palestine has forced a halt in work on the western end of the trans-Arabian pipeline, which Defense Secretary James V. Forrestal has declared vital to United States interests, a company representative said today.

Work appeared to be progressing only in Saudi Arabia, the site of United States oil concessions. The project was halted in Trans-Jordan, Syria and Lebanon.

Backed By U.S. Firms

The 31-inch line from Abqualq, on the Gulf of Persia, to the Lebanese port of Sidon, on the Mediterranean, had been scheduled for completion in 1950 to move 330,000 barrels of oil a day, the work of 85 to 90 tankers. The pipeline is a joint project of the Texas Company, Standard Oil of New Jersey, Standard Oil of California and Socony Vacuum (Standard Oil of New York).

William S. S. Rodgers, chairman of the Texas Company and also of the Trans-Arabian Pipeline Company, declared in the Lebanese capital of Beirut yesterday that the pipeline, plus several others planned or under construction, "is vital to us in the United States" and also necessary if Europe is to have "sufficient fuel to make the Marshall plan work."

Ratification Expected

Aside from Arab hostility over partition, the Syrian Parliament has not yet ratified a convention allowing the pipeline a right of way, but Rodgers said he expected favorable action.

Completion of all the planned pipelines in the Middle East would provide for the pumping of 1,500,000 barrels of oil a day from the Arab states and Iran to the Levant ports.

Shortaegs Feared

Oil shortages in the United States have caused some rationing and talk of more. Rodgers said the United States and the Western Hemisphere are shipping 800,000 barrels of oil a day to the Eastern Hemisphere and that world demand was increasing at the yearly rate of 400,000 barrels daily.

American construction crews along the pipeline route were reported unsafe everywhere except in Saudi Arabia.

Syrian Officers Volunteer

DAMASCUS, Syria, Dec. 19 (AP).—The Syrian Defense Ministry announced today it had accepted the resignations of a number of Army officers who wished to volunteer for service in Palestine to fight against the partition of the Holy Land. The number of those resigning was not immediately disclosed.

30 NABBED IN IRAQ

BAGHDAD, Iraq, Dec. 19—(AP) A police official said today more than 30 persons had been rounded up in recent days and charged with "chaotic activities and Communist tendencies."

Those held also were accused of intending to disturb order during the recent demonstrations protesting the projected partitioning of Palestine, the informant said.

Premiership Declined

Tehran, Iran, Dec. 19 (AP)—Newspapers reported today that Sardar Fakher Hekmat had declined to accept the premiership of Iran in succession to Ahmed Qavam, who resigned. This was the Iranian Sabbath and Hekmat could not be reached for comment.

68 SLAIN AS RIOTS BREAK OUT ANEW IN INDIA PROVINCE (N)

NEW DELHI, Dec. 19—(AP) New Communal rioting has broken out in India with 65 persons killed in the city of Ajmer and three killed and more than 15 injured in the old city of Delhi, it was announced today.

The disorders shattered the relative peace that had prevailed in India since the bloody riots of last September were put down.

Ajmer, 220 miles southwest of New Delhi, is the site of a major Moslem shrine. Home Minister Sardar V. Patel said that Hindus and Moslems there fought each other for 10 days before authorities gained control of the situation on Dec. 15. Three of the dead were policemen.

Patel listed 41 shops looted and 16 burned by mobs and declared there had been "severe losses of property."

The disorders in Delhi were touched off yesterday when a bomb was thrown into a Moslem restaurant slightly injuring four persons. Delhi had been the scene of bitter communal fighting after the British handed over authority to the new Dominion of India on Aug. 15.

Meanwhile, an official military spokesman of the Dominion said the Moslem tribesmen from Pakistan who invaded the northern princely state of Kashmir were paying 20-to-1 price in casualties in "bitter fighting" with Indian troops there.

A defense ministery communique said 58 raiders were killed and wounded in recent clashes with Indian patrols in the Uri and Poonch areas of Kashmir.

The raiding force, originally composed of more than 10,000 men, is waging a stubborn fight along the snowy western boundary of the state, the military spokesman said.

Among the raiders, the spokesman said, is an American who identifies himself as Russell G. Haight, of Denver. The former U. S. soldier, the informant added, is participating in the actual fighting and is helping the invaders with propaganda broadcasts.

In the Southern Indian coastal city of Madras steel helmeted police used tear gas during the day to break up a demonstration of striking government employes.

Throughout Madras province 70,000 government employes are on strike demanding increased cost of living allowances.

A dozen Communists were taken into custody for reportedly trying to persuade workers in several industrial plants to parade in sympathy with the government employes.

55 Are Dead In Rioting In Indian City (N)

New Delhi, Dec. 19 (AP)- Home Minister Sardar V. Patel said today that 55 persons had been killed in ten days of Hindu-Moslem rioting in the Holy City of Ajmer, where a major Moslem shrine is located. Three victims were police.

Patel said there had been "severe losses of property" in the disorders, which began December 5 and were brought under control December 15. Mobs burned 16 shops and looted 41. Ajmer is about 100 miles south of New Delhi.

In the capital itself, police said one person was killed yesterday in the first flareup of Hindu-Moslem strife since the September riots. A bomb was thrown into a Moslem restaurant, injuring four others slightly. Three more persons were reported stabbed.

Wild Tiger Army On Sumatra Smashed

Singapore, Dec. 19 (AP)—A high Indonesian official said today the Indonesian Republican police force had broken up the "Wild Tigers," a private army led by a Japanese which has been fighting both the Indonesians and Dutch in Sumatra for nearly two years.

The official, who reached Singapore after slipping through the Dutch blockade around Republican Sumatra, said twenty senior officers of the army were captured in raids near Tapanoeli, 100 miles southeast of Medan, two weeks ago.

The informant, who requested anonymity, said an Indonesian military court had sentenced six officers to death, including the pro-Japanese Indonesian, Parenta Sitomo-

DEC 1947

30.24- 14355

rang. Fourteen others were given long prison sentences, he said.

Commander Hunted

The army's commander, Captain Inonye, a Japanese who went to Sumatra from Manchuria in 1945 to organize guerrilla resistance against an expected Allied invasion, is still sought, the official said.

Both the Dutch and Indonesians have accused "Wild Tigers" of killing hundreds of civilians in the no-man's land between the Dutch and Indonesian forces in the last six months. The exact strength of the guerrilla force is not known, but estimates range up to several thousand.

Report Of Siam Exile Regime Is Denied

Singapore, Dec. 19 (AP)—Pridi Phanomyong, wartime leader of the anti-Japanese underground in Siam, denied today reports that he might organize a Siamese government in exile here.

Phanomyong sought refuge here late last month after the November 9 coup which overthrew the existing Siamese Government and placed wartime Dictator-Premier Pibul Songgram in power. Phanomyong, onetime premier, was regarded as the real power behind the overthrown Government, and there had been speculation that he might try to set up a government in exile.

Vote Called Farce

Queried about rumors that the United States and Britain were trying to pave the way for his return to Siam, Phanomyong said he would returne only if Siamese military and political leaders agreed on formation of a coalition government.

He expressed belief that the national elections to be held between December 25 and January 4 would be a farce, declaring that decrees had been issued authorizing the army to arrest any "resistance forces" during a three-month period embracing those dates.

Phanomyong, who arrived here on a British freighter, was asked whether British and American authorities had assisted in smuggling him to Singapore. He merely chuckled and replied:

"I cannot say."

'MAJOR BATTLE' LOOMS FOR CONTROL OF MUKDEN (N)

NANKING, Dec. 19—(AP) A government general forecast today a "major battle" for possession of Mukden as Chinese Communists were reported attacking 50 miles north of that Manchurian metropolis despite bitter winter weather.

The official central news agency quoted Gen. Chen Tung-Kuo, deputy director of Generalissimo Chiang Kai-shek's Northeast (Manchurian) headquarters as making the prediction in a Mukden press conference.

Unofficial reports from Peiping said the Communists also were advancing towards Kaiyuan, 55 miles northeast of Mukden.

Another Central News dispatch from Mukden said more than 10,000 Communists were moving on Liaoyang, 40 miles Southwest of Mukden.

News more favorable to the government came from Central China, where semi-official reports said government units bested Communist attackers 13 miles east of Kaifenk, forcing them to turn back to the south.

Nanking Expects A Major Battle For Mukden (D)

Nanking, Dec. 19 (AP)—A major battle for Mukden was predicted by a Government spokesman today as reports from that southern Manchurian metropolis described the development of heavy fighting near Faku to the north.

Gen. Chen Tung-kuo, deputy director of Generalissimo Chiang Kai-shek's northeast headquarters, said the main force of Communist attackers had crossed the Liao River and was moving southward in Liaoning province.

The Chinese Central News Agency reported heavy fighting was developing on the southern perimeter of Faku, a communications center 60 miles north of Mukden and west of Kaiyuan on the rail line between Mukden and Changchun, the territorial capital.

Five Red Divisions Massed

Reports from Peiping said that more than 10,000 Red troops were moving on Kaiyuan from Changtu. Field dispatches reported that the Communists had massed five divisions south of Faku on Mukden's outer defense ring.

The newspaper *Hsin Min Pao* quoted a Government military spokesman as saying a Communist division was defeated after two days of fighting at Tiehling. But the newspaper reported Communists had infiltrated Mukden's defense areas farther south.

Pro-Government reports said a Communist offensive had been met 13 miles east of Kaifeng and the Reds were forced to turn south after three days of severe fighting.

Bishop Corson's News

Philadelphia, Dec. 19 (AP)—The Far East will not become communistic unless the United States deserts it, in the opinion of Bishop Fred Corson, Philadelphia Methodist leader.

Bishop Corson said yesterday upon his return from a three months' tour of the Orient:

"Aid to China is a number one necessity. Unless the country can be unified, relief work will be valueless. The Government of Gen. Chiang Kai-shek is fighting a defensive war. The next twelve months will be the most critical in the history of China."

The bishop made his tour as a representative of the United States Government inspecting chaplaincies. He was a guest of Chiang and Gen. Douglas MacArthur.

"Misconception" Alleged

New York, Dec. 19 (AP)—In an editorial entitled "The China Issue," the *Herald Tribune* said: "Much of the current debate over aid to China is based on a misconception of the major issue," which is how the United States can "give aid to China in such a way that efficiency and honesty will be encouraged and officials who actually believe in democracy will grow in strength."

The *Herald Tribune* suggested that the Senate Appropriations Committee should have questioned Lieut. Gen. Albert C. Wedemeyer on this point instead of asking him whether he believes in helping the Chinese Government resist the Chinese Communists, which, the paper said, is generally agreed to in the United States.

"The United States has already given help in large measure to the Chiang Government—far more than is being proposed now in Congress for the future—and the Communists have continued to win," the paper said. "The will to help China retain her independence exists, but the method is still to be found."

China Denies Hand In Newsprint Cut

Nanking, Dec. 19 (AP)—The Chinese Government today denied responsibility for the drastic cut in the newsprint quotas for China's only two foreign-owned English dailies — the American-owned Shanghai *Evening Post-Mercury* and the British-controlled North China *Daily News*.

Hollington Tong, Government information director, said the question of newsprint allocation is "completely out of our records." He acknowledged that the Executive Yuan's import-export board established allocations for the area, but had no hand in deciding the amounts for individual papers.

"Slashed 50 Per Cent"

Randall Gould, editor of the *Post-Mercury*, notified United States Ambassador J. Leighton Stuart that the Shanghai Newspaper Publishers Guild "arbitrarily and without warning or appeal" cut his paper's quarterly quota 50 per cent. The *Daily News* quota was cut 90 per cent.

The guild, assigned by the Government to make the allocations, did not reduce the quotas for Chinese-owned newspapers, Gould said.

"The amounts made available from the Anglo-American quotas immediately were awarded to six new Chinese Guild members," he added.

The guild is made up largely of Government army organs.

Bullitt's Charges Denied By Ambassador

Nanking, Dec. 19 (AP)—Ambassador J. Leighton Stuart said today he was "not aware of any discourtesy or lack of attention to my reports" at the State Department, as charged in Washington yesterday by William C. Bullitt, former Ambassador to Russia.

Bullitt, urging arms for China before a Senate Appropriations Committee, declared Stuart "sends urgent telegram after urgent telegram" asking additional help and that "he receives in many cases not even the countesy of a reply." Stuart declined further comment.

China Revises Exchange Rate

SHANGHAI, Dec. 19 (AP)—The Chinese Government today raised its open-market rate on the Chinese dollar to 82,840 for one United States dollar. The old rate was 73,000 to 1. The black market rate today was 155,000 to 1.

Togo Reveals Threats Made On Testimony

Tokyo, Dec. 19 (AP)—Testimony that two codefendants tried—"with something of a threat"—to influence Shigenori Togo's version of Japan's sneak attack on Pearl Harbor created a sensation at the normally dull war-crime trial today.

The former Foreign Minister told the International Tribunal that Shigetaro Shimada, former Navy Minister, and the late Admiral Osami Nagano warned him during a recess in the prolonged trials to forget "the fact that the navy desired to carry out a surprise attack" on Pearl Harbor.

"He (Shimada) also said something in the nature of a threat, saying that if I said so, it would not be worth my while," Togo elaborated.

Togo is one of 25 top Japanese leaders on trial, including wartime Premier Hideki Tojo, whose defense is next on the list.

Yank Gets 2 Years In Jap Girl's Death

Tokyo, Dec. 19 (AP)—Private Charles E. Denter, 18, today was sentenced to two years' imprisonment for conviction of manslaughter in the death of a Japanese girl who was thrown into a canal in downtown Tokyo September 4.

A Seventh Cavalry Regiment announcement said Denter was court-martialed December 16. In addition to the prison term, he was discharged dishonorably.

The girl, Mitsuko Hashimoto, who could not swim, was thrown from a bridge. The army announcement said Denter, whose home is Salt Lake City, testified it was a "boyish prank." The court decided that the act was not intentional.

GI In Japan Accused In Fatal Shooting

Tokyo, Dec. 19 (AP)—Headquarters of the Far East Air Force today announced the arrest of Private Harry J. Lisberg, of Glen Head, N.Y., on charges of fatally shooting Tech. Sergt. Lee V. Adams, of Groveton, Texas, in an altercation at near-by Yokota airbase December 14.

The Army said Adams was one of several men attempting to disarm Lisberg and that another soldier, Private William Walker, of Gastonia, N.C., was wounded in the hand.

General Doesn't Miss 'That Pentagon'

Tokyo, Dec. 19 (AP)—Lieut. Gen. Robert L. Eichelberger returned to his United States 8th Army command today after a three-month assignment in Washington and commented: "I'm so glad to be back I could yell."

"That Pentagon," he exclaimed, referring to the War Department's colossal home building, "when you've got that you've got something."

EVATT ASKS FOR END OF VETO ON GERMANY

SYDNEY, Australia, Dec. 19 (AP)—Herbert V. Evatt, Australian Minister of External Affairs, called today for the settlement of the German question by the democratic methods of the United Nations General Assembly.

Declaring "power politics" was responsible for the breakdown of the Foreign Ministers' conference in London, he said that the way might be cleared "for negotiation of a just peace on democratic lines."

The failure of the four major powers to write a German peace settlement and to solve problems of reparations and economic principles for Germany "was serious, but was not an irreparable setback," Dr. Evatt said at a luncheon of the United Nations Association.

Dr. Evatt, who is Acting Prime Minister, said he would like to see a conference of "all countries that participated in the victory at such

great sacrifice" to discuss the German problem.

He said such a conference should be held without voting restrictions. This was an allusion to the veto power of the five permanent members of the United Nations Security Council: the United States, the Soviet Union, Britain, France and China, which Dr. Evatt has criticized frequently.

"I feel the way toward peace will not be through continuance of the present methods of meetings of the Council of Foreign Ministers," he said. alla

Joint Allied Pact For Germans' Peace Asked (D)

R. MORTON

Sydney, Dec. 19 (AP)—Herbert V. Evatt, Australian Minister of Foreign Affairs, proposed today that a meeting of all the Allied nations be called to write a peace for Germany.

Declaring that "power politics" had blocked agreement on the German problem at the recent Big Four parley in London, Evatt said he would like to see the treaty-making turned over to a conference of "all the countries that participated in the victory at such great sacrifices."

Sees Safety In Numbers

He urged that such a meeting should be held "without voting restrictions"—obviously a reference to the veto power of the five permanent mmebers of the United Nations Security Council—the United States, Russia, Britain, France and China—which he has frequently criticized.

Evatt, Australian delegate to the United Nations and currently Acting Prime Minister, said he believed there was safety in a "multitude of assembly" at international conferences because "the fewer people there are at a conference the more emphasis there is on power politics."

Raps Ministers' Councils

"I feel that the way toward peace will not be through the continuance of the present methods of meetings of the Council of Foreign Ministers," he added emphatically.

DEC 1947

Evatt criticized the "exclusiveness and narrowness" of the Big Four discussions which, he said, followed the familiar pattern of charge and countercharge. He described the failure of the conference as a "serious but not irreparable setback."

Backs U.N. For Peace

"My faith," he said, "is that the United Nations Assembly will succeed in keeping the peace, and I feel the major powers should follow the broad democratic outlook of the Assembly—for in a multitude of assembly there is safety."

Evatt, who spoke before a luncheon meeting of the United Nations Association in Sydney, said the big powers had not controlled the proceedings of the recent United Nations Assembly session in New York.

"If they have a strong case they win it," he said. "If not they lose it and accept the decision. The same thing must apply to the settlement of the peace in Germany, or there never will be a settlement in Germany."

Argentine Minister Defines Proposed Aid

Buenos Aires, Dec. 19 (A. P.).—Foreign Minister Juan Bramuglia says the $5,000,000,000 suggested as a possible Argentine credit to Latin-American nations represent the country's aid limit and would involve the total production available for export in the next few years. He said Argentina's exports would total $1,500,000,000 this year and were expected to reach $2,000,000,000 next year.

Senator Diego Luis Molinari, head of the Argentine delegation to the International Trade Conference in Havana, said Tuesday that Argentina's aid could be a $5,000,000,000 credit, but Bramuglia said this figure had been obtained by taking the total exportable surplus of Argentine products.

Canada Increases Pay Of Its Armed Forces

Ottawa, Dec. 19 (AP)—Canada today increased the pay of its armed forces by about ten per cent. Many Government civil servants also got a similar increase. The raises were retroactive to October 1.

Prime Minister W. L. Mackenzie King said in the House of Commons that pay and allowances increases for the army, navy and airforce would average ten per cent, the raise varying from about fifteen per cent for privates and equivalent ranks to five per cent for senior officers. Privates under the old system got $50 monthly base pay.

DEC 1947

U.S. JAP POLICY PROBE URGED

Knowland Charges Actions Are 'Contrary To Fair Play'

Washington, Dec. 19 (AP)—A demand for a congressional investigation of American occupation policy in Japan was voiced in the Senate today by Senator Knowland (R., Cal.). He said a "confidential" document discloses that the policy is "contrary to American standards of decency and fair play."

Knowland told the Senate he had obtained a copy af this document outlining "the official statement of policy of the American Government . . . with respect to certain economic policies to be followed in Japan."

Without trial or conviction, Knowland said, all former managers, stockholders and creditors of large Japanese businesses have been deprived of their holdings and positions and barred from resuming them for ten years.

'Un-Anglo-Saxon Philosophy'

The Senator termed this "an arbitrary purge" and added that "legal owners of Zaibatsu interests" in Japan had been subjected to a "very unusual and distinctly un-Anglo-Saxon philosophy."

On the other hand, Knowland told his colleagues, "desirable purchasers" were permitted to acquire holdings on their own terms.

"The country and the Congress should be informed as to whether Gen. Douglas MacArthur was consulted in advance regarding these economic policies being followed in the name of the American Government in Japan, or whether he has been given directives from Washington which he has no choice but to carry out," Knowland said.

He also demanded that Congress and the country be told "who the originator of this proposal is."

'Confidential Classification'

Knowland said the policy statement was presented to the Far Eastern Commission after being issued "under a confidential classification" last May 12. The commission was set up by this country, Russia and other wartime Allies to control Japan and other occupied areas of the Far East.

Saying that the policies and plans listed in the document are having a major effect on Japan, he declared that American occupation officials "gave tacit aproval, if not their active support, to the adoption in the Japanese Diet of four bills" that revise the Japanese economy.

The Japanese Diet on December 9 passed a law to decentralize Japanese industries with excessive economic power. The bill called for a review of Japan's 80,000 industries and for compulsory decentralization of those considered monopolistic. A slight extension of time was allowed for appeals by the affected compaiies.

HOUSE COMMITTEE ASKS EMBARGO ON FUEL OIL EXPORTS

WASHINGTON, Dec. 19—(AP) An embargo on fuel oil exports or at least their sharp curtailment until domestic shortages are met was unanimously recommended today by the House Commerce committee.

The New England House delegations at the same time urged President Truman to act under the anti-inflation measure passed today to permit the oil industry to pool information and stocks without fear of anti-trust laws.

The New England group also referred to a House Public Works sub-committee, studying black markets, complaints that double the market price is being asked for fuel oil at Gulf ports.

The Commerce committee, in a unanimously approved resolution to the House, laid down a nine-point program to meet oil shortages.

The recommendations, in addition to curtailment or prohibition of exports, included: temporary use of naval vessels in oil transport to acute shortage areas; that the Maritime commission "should desist" through the shortage period from completing transfer to foreign purchasers of tankers owned by the government; that the commission should seek to secure the use of tankers already sold in domestic oil, transport; that the Interior Secretary coordinate all emergency efforts in various states;

That petroleum industry committees be established for most efficient use of production equipment and transportation; that the office of defense transportation take action to provide tank cars; that the President take any executive steps possible, and that the Maritime commission be required to repair tankers owned or acquired by it.

Meanwhile Senator Moore (R-Okla.) told the Senate that government controls "are not the answer" to any problem now confronting the oil industry.

Discussing winter fuel supply problems of consumers of the Middle Atlantic and New England states, Moore asserted:

"The three to five per cent demand in excess of supplies available is directly attributable to government meddling."

He declared that for five years, including the war period, the price of petroleum and petroleum products had been frozen by government controls at pre-war prices, and that coal prices had been permitted to rise to an all-time peak "as a political expediency."

MOVE TO ACHIEVE WORLD ATOM PACT TERMED FAILURE

NEW YORK, Dec. 19 — (AP) U. S. efforts to achieve international control of atomic energy have failed, and only a profound change in Soviet policy would give them any hope, says Dr. J. Robert Oppenheimer, chairman of the advisory committee of the Atomic Energy commission.

Writing in the January issue of Foreign Affairs, published tomorrow, Oppenheimer, who was wartime director of the Los Alamos laboratory, declares:

"If we try to examine what part atomic energy may play in international relations in the near future, we can hardly believe that it alone can reverse the trend to rivalry and conflict which exists in the present-day world.

"My own view is that only a profound change in the whole orientation of Soviet policy, and a corresponding reorientation of our own, even in matters far removed from atomic energy, would give substance to the original high hopes.

"The aim of those who would work for the establishment of peace, and who would wish to see atomic energy play whatever useful part it can in bringing this to pass, must be to maintain what was sound in the early hopes, and by all means in their power to look to their eventual realization."

The work of the United Nations Atomic Energy commission has shown the vitality of the basic idea of attaining security through international cooperative development, he said, but it is unreasonable to hope that anything productive would come from compromises such as conventional formal renunciation of atomic arament or concessions regarding proposals for international inspection of facilites.

SEES ATOM UNITY DISTANT

Lilienthal Bars a Timetable for Settling Control Problem

WASHINGTON, Dec. 19 (AP)—David E. Lilienthal, chairman of the Atomic Energy Commission, said today it was "utter rot" to set up a time table in which the atomic control problem must be solved.

Asserting that some speakers and writers had said that unless we changed patterns of human institutions and thought within the next five years civilization would be annihilated, Mr. Lilienthal told a meeting of the National Committee on Atomic Information:

"This is utter rot and nonsense. We know that human institutions do not change that fast."

He said it was true that hope for international control might be dim at the present time, but he added that he had faith that the problem would be worked out even though it took a long time.

Sumner T. Pike, a member of the commission, told the meeting that the atom "could become a political weapon" in the United States, and said this must be prevented.

Spreading atomic information to all citizens was the best way to prevent the issue becoming a political one, he said.

DEC 1947

DEC 1947

30.24- 14357

Atomic Commission Counsel Is Appointed

Washington, Dec. 19 (AP)—Adrian Fisher, solicitor of the Commerce Department, has been appointed general counsel of the Atomic Energy Commission.

Fisher, a native of Memphis, Tenn., succeeds Herbert S. Marks, who resigned to enter private law practice here, the commission announced.

Joseph Volpe, Jr., formerly of Newark, N.J., is being advanced to associate general counsel. Since January he has been a deputy general counsel.

Grain Given By West To Leave For Bremen

Philadelphia, Dec. 19 (AP)—The American West's gift of what eventually will be 13,000,000 one-pound loaves of bread for hungry Germans began pouring down grain chutes into a freighter today.

The S.S. American Veteran of the United States Lines was receiving part of the cargo it will carry to Bremen.

The grain represents that portion of the contributions by farmers, charitable organizations and local groups in the West that was given to the Christian Rural Overseas program. It was brought here on the Friendship Train.

MRS. FDR. RETURNS FROM GENEVA PARLEY

NEW YORK, Dec. 19—(AP) Mrs. Franklin D. Roosevelt returned tonight from a Geneva meeting of the United Nations Commission on Human Rights and said that "never before in my experience have I seen Russians and ourselves working so closely together."

Mrs. Roosevelt, chairman of the commission, said that the Russian delegation to the conference had been "most cooperative," although it abstained from voting.

Referring to the World Bill of Human Rights drawn up at the meeting, she said "I think it was a grand piece of work," adding:

"The next step is to submit it to the 57 governments for their comment. x x x

"Never before have I seen at any meeting such astonishing participation. The Russians abstained from voting but were most cooperative. It is my opinion that they abstained from voting because they were awaiting the comment of their government. Never before in my experience have I seen Russians and ourselves working so closely together."

Real Battle Impending Over Tax Cuts for 1948

House Republicans Ready to Fight Hard if Truman Holds to Resolve to Veto Any Reductions.

Washington, Dec. 19 (A. P.).—Another White House road block today confronted the Republican attempt to slash taxes $5,600,000,000 yearly. Assertions by Representative Knutson (R.-Minn.) that his bill was veto-proof were in sharp contrast to a renewal of President Truman's stand against any tax reduction now.

The implication was obvious that the tax measure might meet the same fate as two others passed at the last regular session of Congress. Mr. Truman vetoed both, saying then that debt reduction must come first, and, anyway, the bills gave too much tax relief to the wealthy.

Presidential Reactions.

Knutson apparently based his veto-proof label for the new version on the contention that it would give 77 per cent of the total tax reduction to persons with taxable incomes under $4,000, and only 23 per cent to those making more. But at the President's news conference yesterday a reporter asked if reports that the Government would have a $7,000,000,000 surplus for the current fiscal year ending on June 30 would justify a tax cut. Mr. Truman replied in the negative.

The Chief Executive declined, however, to say definitely if he would oppose any tax cut next year. He said that his state of the union message to Congress next month would answer that.

Knutson, who is chairman of the tax-fixing House Ways and Means Committee, introduced the new bill on his own, but said that most of his Republican colleagues were in general agreement with its provisions. It is expected to be an early order of business at the session beginning in January.

Move Against Inflation.

Without referring directly to Knutson's bill, Chairman Wolcott (R.-Mich.) of the House Banking Committee told reporters that "tax reduction that will bring out larger production would be the best thing we could do to stop inflation." Senate Republicans already have called for tax relief as part of their long-range anti-inflation program.

Mr. Truman, in his vetoes of the previous bills, said that tax reduction would aggravate inflation by making more money available to bid up the prices of scarce goods.

President Truman promptly signed the legislation.

There was no White House ceremony about the signing, which climaxed two busy days of Democratic-Republican argument.

Secretary Anderson, attending the closing House session as a visitor, told newsmen the list of speculators probably will be made public within the next week. He intimated that it would be announced by the Agriculture department at the same time it is sent to Congressional committees investigating speculation.

Passed by Voice Vote

Agitation for the resolution was born of complaints that some big speculators were bidding up the cost of living, and statements from some Republican quarters that "government insiders" were using advance, official information to speculate for profit.

Like the Senate approval yesterday, the House action was on a voice vote. An attempt by Rep. Hoffman (R-Mich) to give any Congressional committee the right to study individual income tax returns filed with the Treasury was rejected on a standing vote of 88 to 41.

Anderson maintained to the Senate Appropriations committee yesterday that, without a directive resolution from Congress, it would be improper for him to release a secret list of big traders in commodities. He did say that if the committee insisted, he would give it the list in public, but not in secret.

President Truman backed Anderson up, saying at the same time that such a list should be made public.

Called "A Lame Excuse"

Rep. MacKinnon (R-Minn) said Anderson's proferred reasons for not releasing the list on his own were "a lame excuse" and told the House:

"It is a cover to protect the insiders in the position they now have. There never has been any restrictions on Anderson's authority to cel out such names as they wanted to parcel out."

Chairman Bridges (R-NH) of the committee protested that that was "not a fair interpretation."

Also Senator Hawkes (R-NJ) commented it is more important to publish the names of any Congress members who might have been speculating, than to expose speculating government officials.

The now-passed congressional resolution authorizes the secretary to publish the list at his own discretion or upon the request of a congressional committee.

Already Working on List

Anderson told reporters today that his department is already working on the list but he could not estimate when it might be ready for publication.

He explained that a check of identifications is needed against the chance of wrongly listing persons not in the market but carrying names similar to some who are speculating.

Rep. August H. Andresen (R-Minn), newly appointed chairman of a special house committee to investigate speculation in grain, said it would be "very helpful" to have the income tax data available as suggested by Hoffman.

However, Rep. Eberharter (D-Pa) said the matter should be studied by the House Ways and Means committee. Rep. Rayburn (D-Tex), the House Democratic leader, argued:

"It's not fair play to disclose income tax returns to a man's enemies or competitors. It never has been and it shouldn't be done now."

House Authorizes Anderson To List Big Grain Traders

WASHINGTON, Dec. 19 — (AP) The House voted authority today to Secretary of Agriculture Anderson to make public the names of big time commodity speculators and give out this information and he knew it all the time."

In the Senate yesterday, Senator McMahon (D-Conn) asked whether the Appropriations committee did not want the list in secret so it could "paw over" the list and "par-

Meyers Indicted For Perjury in Senate Inquiry

Faces 60 Years in Prison; Tax Case Still to Come; Lamarre Also Indicted

By The Associated Press

WASHINGTON, Dec. 19.—Major General Bennett E. Meyers and a former associate who turned on him were indicted today on charges of giving faked testimony in the recent Senate investigation of Meyers's war-time activities as an Army Air Forces purchasing officer.

A Federal Grand Jury indicted Meyers on six counts—three of perjury and three of inducing Bleriot H. Lamarre, thirty-five, to commit perjury. In addition, the jury indicted Lamarre on three perjury counts.

The maximum penalty for each count is ten years in prison, and the retired general, who is fifty-two, could be sentenced to serve as much as sixty years if he was convicted on all counts.

The charges grew out of the Senate war-investigating committee's inquiry into business deals which witnesses said were carried on by Meyers while he was deputy purchasing chief of the A. A. F.

At the Senate hearings Lamarre, onetime $50-a-week accountant, and others said that Meyers was the real owner of the Aviation Electric Company, a Dayton, Ohio, plane-parts subcontracting company, and that he realized more than $150,000 profits from it.

Part of the money which went to Meyers, Lamarre told the Senators, was salary "kickbacks" paid to Meyers by the "dummy" officers of Aviation Electric. Lamarre held the title of president. His brother-in-law, Thomas E. Readnower, was vice-president.

Meyers told the Senate committee he established the company because Mrs. Lamarre was his "girl friend" with Lamarre's knowledge. She has said that this is a lie and that she will sue Meyers for slander.

After the indictments were returned, Federal Judge David A. Pine ordered bench warrants issued for Meyers and Lamarre. They are to be allowed to post bond or be placed in custody pending arraignment here, which is expected after the holidays, probably on Jan. 7.

The grand jury charged that Meyers lied to Senate investigators by denying (1) that he had a financial interest in the Dayton company, (2) that the company in 1942 bought him a new Cadillac automobile, and (3) that the company paid $10,000 for redecorating his Washington apartment.

On each of these three points, the grand jury said, Meyers succeeded in getting Lamarre to tell a false story at closed hearings of the Senate commitee last October.

Lamarre later changed his mind and told what he described as the "true story" at an open hearing, including a statement that Meyers was the real owner and the chief beneficiary of Aviation Electric.

The United States Attorney's Office said that further inquiries into Meyers's affairs, including inquiries into possible war fraud and income-tax evasion, will be brought before separate grand juries later.

Lamarre, a witness before the grand jury which indicted him, was understood to have waived immunity in his testimony.

United States Attorney George Morris Fay told a reporter tonight he had asked the courts in the Eastern District of New York and Southern District of Ohio to set a minimum bond of $1,000 for Lamarre and $2,000 for Meyers and had requested that they be required to appear here for arraignment.

Meyers has already lost his Army retirement pay and medals, and he faces a court martial.

PRESIDENT SENDS GREETINGS TO GI'S

WASHINGTON, Dec. 19—(AP) President Truman today sent Christmas greetings to the armed forces both at home and overseas.

In his holiday message, he said in part:

"In peace as in war, your fellow Americans are proud of you and deeply grateful for your faithful service x x x"

General Dwight D. Eisenhower, army chief of staff, soon to retire, said in his yuletide message to the forces:

"By your service, by your performance of duty, you help sustain the faith that right and justice and law, prosperity and fruitful living shall again be mankind's portion and that charity among men shall again rain."

Other greetings were sent by Secretary of Defense Forrestal, W. Stuart Symington, Secretary of the Air Force; Gen. Carl Spaatz, chief of the staff of the air force.

DEC 1947

PAY BOOST PLAN STUDIED FOR U. S. ARMED FORCES

WASHINGTON, Dec. 19—(AP) In what appeared a preliminary move to a request for congressional approval of pay raises for the military services, Secretary of Defense Forrestal announced today the appointment of an advisory commission to make "thorough study" of the question.

The four-man civilian commission, of which Charles R. Hook, president of the American Rolling Mill Co., is chairman, met for the first time yesterday.

Meeting with it were members of a special armed forces committee appointed by Forrestal and which has been exploring the military pay raise question.

Air Experts Study New Wing Glider

HAWTHORNE, Cal. — (AP) A German, war-developed flying-wing glider, "the nearest thing to a bird," is being examined by Northrop Aeronautical Institute engineers who hope to find applications to the government's guided missile projects.

Designated as the "Horten 6," the graceful, 70-foot wingspan craft set a new altitude record of 39,000 feet, according to Dr. Wolfgang Klemperer, soaring expert now employed by Douglas Aircraft company.

The craft was built by two German youths, Walther and Riemer Horten, about 1944.

Much of its soaring ability is credited to the glider's knife-like wing, which employs high flexibility. Control surfaces, extending 30 feet along the wing, are split into three sections to allow maximum flexing along its length.

Safety factors include an automatic ejecting device for the pilot, who is forced to fly the craft from a kneeling position.

Student Vets Ask To See Truman

Washington, Dec. 19 (AP)—A committee of student veterans asked the White House for a chance to tell President Truman personally today how the cost of living is putting the squeeze on veterans in college.

"This is a situation that subversive groups, operating on college campuses, had prayed for," said Tucker Irvin, of Washington, Ga., a committee member. "Veterans can't live on the money they are getting."

The committee represents a group known as the National Conference of Veteran Trainees. Irvin said the delegates were elected at college meetings in each state.

Seeking More Subsistence

They want Congress to increase the subsistence pay for single students under the GI Bill of Rights from $65 to $75 a month and for married students from $90 to $105, plus $15 if they have children.

"These subversive groups make all sorts of promises to veterans, that they will obtain more money and consideration for them, but their real purpose is to cause dissatisfaction among the ex-GI's," Irvin said.

"I don't know that these groups are communistic, but they certainly are pinkish."

Trying For An Interview

The twenty-five delegates met last night and decided to try for the interview with the President.

"Several congressmen asked us if we would be in favor of withdrawing financial aid to Europe so veterans could be paid more subsistence money to go to college," Irvin said.

"We want to do everything possible for Europe. Remember we are the fellows who fought over there. We don't want to go back. But we would like to have the President himself tell us there isn't money for both European aid and war veterans. He's a veteran of World War I and we're willing to accept his decision."

FELLER FOLLOWS FALA AS WHITE HOUSE 'BOSS'

WASHINGTON, Dec. 19—(AP) Feller will follow Fala as boss dog at the White House.

Feller is a three-weeks-old cocker spaniel pup, silver buff in color. Due to arrive by air freight tomorrow, he is a gift from Mrs. Peter Joseph Marsden of Galen, Ill., who once was a nurse for President Truman's mother, the late Mrs. Martha E. Truman.

Brig. Gen. Wallace H. Graham, the President's physician, got the assignment of raising Feller. The pup will have the run of the White House grounds and sleep in a tool shed, as did the late President Roosevelt's Scottie, Fala.

DEC 1947

Security Council To Renew Discussion Of Veto Issue

F. W. CARPENTER

Lake Success, N.Y., Dec. 19 (AP). The Security Council decided today to discuss the controversial veto issue again despite Russian objections that all such talk "constitutes a waste of time."

By a vote of 9 to 2, with Russia and Poland in the minority, the Security Council approved a work sheet calling for debate on the question. No date was set, however.

The point arose when the Security Council was asked to agree on a discussion program which listed a letter from Trygve Lie, secretary general, calling attention to a resolution of the United Nations Assembly sending the veto question to the "Little Assembly," which will open its sessions January 5.

Observation By Austin

Andrei A. Gromyko, Soviet Deputy Foreign Minister, who has cast 21 of Russia's 22 vetoes in the Security Council, promptly declared that everyone knows Russia is against any change in the veto arrangement and that the Soviet Government felt the question of the veto "does not exist." Russia and the others in the Big Five must agree before the veto can be altered.

Dr. Juliusz Katz-Suchy, of Poland, who will retire from the Security Council December 31, backed Gromyko.

Warren R. Austin, United States delegate, merely observed that it was "premature" to discuss it now but indicated the United States felt it should come up later.

Indonesian Question Debated

The veto is a voting system in the Security Council by which one of the five great powers—Russia, China, France, Britain and the United States—can kill a major proposal by a lone negative veto. Besides Russia, the only country to use the veto is France, with two on its record.

The delegates spent most of their 3½ hour session debating the Indonesian question. They agreed that Australia should remain on the three-nation committee of good offices which is trying to settle the conflict.

Others on this committee are Belgium and the United States.

December 30 Meeting Set

L. N. Palar, Indonesian representative, charged that the Netherlands had violated a Security Council "cease-fire" order by occupying the island of Madura. He charged the Dutch with committing "atrocities." The Dutch representative, Jonkheer J. W. M. Snouck Hurgronje, replied briefly that his Government had "categorically denied" the accusations.

The Security Council received word from the committee that a report on its work should be received about December 22. The delegates therefore took no action on an Australian proposal that the Security Council instruct the committee to report on its plan for making effective the Council's "cease-fire" order. Several said they assumed the report would include this plan.

The next Security Council meeting was set tentatively for December 30 with the committee's report slated to be considered.

PANAMA LISTS DELEGATE ON UN PALESTINE BOARD

LAKE SUCCESS, Dec. 19 — (AP) The United Nations announced today that Panama has named Dr. Eduardo Morgan, former minister of education, as her representative on the five-member UN Palestine commission.

Dr. Morgan was the first of the five members to be designated officially. The other four countries on the commission are Bolivia, Czechoslovakia, Denmark and the Philippines.

Secretary-General Trygve Lie already has called a meeting of the commission for Jan. 7 at Lake Success. Under the General Assembly's plan to partition Palestine, the commission has the responsibility for supervising the transition of the new Jewish and Arab countries to independence by next Oct. 1.

DEC 1947

(MARSHALL PLAN ADVANCE TO BE HELD FOR RELEASE EXPECTED SOME TIME AFTER 1 P.M., EASTERN STANDARD TIME, TODAY, FRIDAY, DEC. 19)

MARSHALL PLAN-GERMANY

(ADVANCE)--WASHINGTON, DEC. 19--(AP)--EUROPEAN RECOVERY ESTIMATES SUBMITTED TO CONGRESS TODAY PROVIDE FOR REHABILITATION OF WESTERN GERMANY AS "AN INTEGRAL PART" OF THE VAST ENTERPRISE.

THE DETAILED DOCUMENTS ACCOMPANYING PRESIDENT TRUMAN'S MESSAGE SAID IT IS EXPECTED THAT THE AMERICAN-BRITISH OCCUPATION ZONE WILL BE REPRESENTED ON THE 16-NATION ORGANIZATION CONCERNED WITH THE PROGRAM.

"GERMAN RECONSTRUCTION HAS NO PRIORITY BUT IT MUST BE BROUGHT ABOUT AS PART OF AN INTEGRATED PROGRAM OF WESTERN EUROPEAN RECONSTRUCTION."

"IT IS ESSENTIAL TO EUROPEAN RECOVERY THAT RUHR COAL PRODUCTION BE EXPANDED AS RAPIDLY AS POSSIBLE."

THE REPORT SAID IT IS BELIEVED REQUIREMENTS FOR MINING EQUIPMENT

DEC 1947

CAN BE MET. THE EUROPEAN COAL ORGANIZATION RECOMMENDED $208,000,000, WORTH, INCLUDING $49,000,000 WORTH OF NON-STEEL SUPPLIES SUCH AS WIRE ROPE AND BELTING, FOR THE RUHR MINES.

THE ARMY HAS ESTIMATED THE AMERICAN GOVERNMENT WILL PROVIDE $800,000,000 FOR FOOD AND OCCUPATION COSTS IN THE AMERICAN-BRITISH ZONE DURING THE 15 MONTHS BEGINNING NEXT APRIL 1.

ADDITIONAL MILLIONS WILL BE ALLOCATED TO GERMANY UNDER THE EUROPEAN RECOVERY PROGRAM. THE EXACT AMOUNT IS NOT SPECIFIED BUT OFFICIALS SAID WESTERN GERMANY STOOD THIRD OR FOURTH ON THE LIST.

THE DOCUMENT SAID WESTERN GERMAN COAL PRODUCTION IS EXPECTED TO RISE TO NEAR THE PRE-WAR OUTPUT OF 221,000,000 TONS ANNUALLY BY 1951. THE PARIS CONFERENCE SET NEXT YEAR'S PRODUCTION GOAL AT 163,000,000 TONS.

(END ADVANCE TO BE HELD FOR RELEASE EXPECTED SOME TIME AFTER 1 P.M., EASTERN STANDARD TIME, TODAY, FRIDAY, DEC.19)

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(MARSHALL PLAN ADVANCE TO BE HELD FOR RELEASE EXPECTED SHORTLY AFTER NOON, EASTERN STANDARD TIME, TODAY, FRIDAY, DEC. 19)

MARSHALL PLAN--SALARIES

(ADVANCE)...WASHINGTON, DEC 19-(AP)-THE TOP OFFICIALS WHO WOULD RUN THE MARSHALL PLAN FOR EUROPEAN RECOVERY COULD GET PAYCHECKS TOTALING $712,500 A YEAR, IF CONGRESS CONCURS WITH PRESIDENT TRUMAN'S IDEAS ON SALARIES.

MR. TRUMAN ASKED $20,000 A YEAR FOR THE NO. 1 MAN, THE ADMINISTRATOR OF THE PROPOSED ECONOMIC COOPERATION ADMINISTRATION, (ECA). A DEPUTY ADMINISTRATOR WOULD RECEIVE $17,500.

ECA'S KEY MAN OVERSEAS, THE "UNITED STATES REPRESENTATIVE IN EUROPE," WOULD RECEIVE $25,000 PLUS THE ALLOWANCES OF A DIPLOMATIC CHIEF OF MISSION, THE PAY THAT GOES WITH THE RANK OF AMBASSADOR.

AND BY MAKING AN EXCEPTION TO THE FEDERAL LAW GOVERNING THE NUMBER OF WORKERS WHO CAN DRAW TOP SALARIES, 10 OTHER ECA EMPLOYES COULD BE PAID UP TO $15,000 A YEAR AND $50 UP TO $10,000

PAID UP TO $15,000 A YEAR AND 50 UP TO $10,000.

(END MARSHALL PLAN ADVANCE TO BE HELD FOR RELEASE EXPECTED SHORTLY AFTER NOON, EASTERN STANDARD TIME, TODAY,FRIDAY, DEC 19)

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(MARSHALL PLAN ADVANCE TO BE HELD FOR RELEASE EXPECTED SOMETIME AFTER 1 P.M., EASTERN STANDARD TIME, TODAY, FRIDAY, DEC.19)

(150)

MARSHALL PLAN-LOANS

(ADVANCE)..WASHINGTON,DEC.19-(AP)-GOVERNMENT OFFICIALS SAID TODAY THE EUROPEAN RECOVERY PROGRAM CONTEMPLATES THAT OUTRIGHT AID TO EUROPE WILL EXCEED LOANS DURING THE PROGRAM'S LIFE.

PRESIDENT TRUMAN DID NOT TOUCH ON THIS IN HIS MESSAGE.

BUT OFFICIALS WHO HAD A HAND IN PREPARING THE DETAILED ESTIMATES TOLD REPORTERS THERE IS NO BREAKDOWN FOR THE FIRST YEAR OF THE PROGRAM.

THEY SAID THE AMOUNT OF COMMODITIES EACH COUNTRY WILL GET AND THE TERMS WOULD VARY FROM YEAR TO YEAR.

THE PLAN ASSUMES THE UNITED KINGDOM WOULD BE THE CHIEF BENEFICIARY FROM ALL PHASES OF THE RECOVERY ENTERPRISE FOLLOWED IN ORDER BY FRANCE, ITALY, WESTERN GERMANY AND THE NETHERLANDS.

(END ADVANCE TO BE HELD FOR RELEASE EXPECTED SOMETIME AFTER 1 PM EASTERN STANDARD TIME TODAY, FRIDAY, DEC.19)

EG/AB1234PES

DEC 1947

30.24- 14359

LONDON, DEC.19-(AP)-A CONSERVATIVE MEMBER TOLD THE HOUSE OF COMMONS TODAY BRITAIN MADE A "CONSIDERABLE BLUNDER" AT THE GENEVA TRADE NEGOTIATIONS BY AGREEING TO REDUCE IMPERIAL PREFERENCE TARIFFS IN THE COLONIES IN RETURN FOR A PROPOSED LIMITATION ON THE USE OF SYNTHETIC RUBBER IN THE UNITED STATES.

HAROLD WILSON, PRESIDENT OF THE BOARD OF TRADE, SAID YESTERDAY THERE HAD BEEN A MISUNDERSTANDING ON THE UST OF RECLAIMED RUBBER AND THAT BRITAIN AND THE UNITED STATES WERE RENEGOTIATING THE AGREEMENT.

HE PROMISED TODAY THAT BRITAIN WOULD BE "EXTREMELY CAREFUL TO SEE THAT ALL TECHNICAL POINTS ARE FULLY COVERED."

WILSON SAID BRITAIN HAD AGREED TO CUT IMPERIAL PREFERENCE TARIFFS ON IMPORTS OF U.S. GOODS TO THE COLONIES IN RETURN FOR A CONCESSION BY THE UNITED STATES TO IMPORT MORE CRUDE RUBBER FROM MALAYA. THE UNITED STATES AGREED TO CUT THE USE OF GENERAL PURPOSES SYNTHETIC RUBBER TO 25 PER CENT OF TOTAL CONSUMPTION, INCLUDING NATURAL. ABOUT 33 PER CENT OF ANNUAL CONSUMPTION. THE PRESENT USE OF SYNTHETIC RUBBER IS

WALTER FLETCHER, CONSERVATIVE, REPEATING WIDESPREAD CRITICISM.

DEC 1947

SAID THAT BY COMPUTING THE USE OF RECLAIMED RUBBER, THERE WOULD BE LITTLE INCREASE IN THE U.S. RAW RUBBER IMPORTS. WILSON ACKNOWLEDGED THAT RECLAIMED RUBBER SHOULD NOT HAVE BEEN INCLUDED IN THE AGREEMENT.

THE PRESIDENT OF THE BOARD OF TRADE DENIED SUGGESTIONS WHICH HE SAID HAD BEEN MADE IN SOME CIRCLES THAT BRITAIN "HAD A FAST ONE [illegible] NEGOTIATORS. HE ON U.S.

DEC 1947

HE SAID HAD BEEN MADE IN SOME CIRCLES THAT BRITAIN "HAD A FAST ONE PULLED ON US" BY U.S. NEGOTIATORS. HE SAID IMPERIAL PREFERENCE CUTS ON U.S. GOODS WOULD NOT GO INTO EFFECT UNTIL A NEW AGREEMENT WAS REACHED.

QQ350PES

LONDON, DEC.19-(AP)-AN AUTHORITATIVE WHITEHALL SOURCE SAID TODAY BRITAIN MAY SOON ENTER NEGOTIATIONS FOR REVISION OF HER ALLIANCES WITH EGYPT, IRAQ AND TRANS-JORDAN.

THESE REVISIONS, HE SAID, WOULD BE A BASIS FOR A STRENGTHENED AND STREAMLINED POLICY IN THE POLITICALLY TROUBLED MIDDLE EAST.

HIS STATEMENT CAME AS DR.FAHDEL JAMALI, IRAQI FOREIGN MINISTER, CONSULTED WITH FOREIGN SECRETARY ERNEST BEVIN ON BRITISH-IRAQ RELATIONSHIPS AND THE GENERAL REPERCUSSIONS THE PROJECTED PARTITION OF PALESTINE MAY HAVE THROUGHOUT THE REGION.

WM156PES

LONDON, DEC 19-(AP)-MINISTER OF STATE HECTOR MCNEIL ANNOUNCED IN THE HOUSE OF COMMONS TODAY A 10 PERCENT CUT IN THE FOREIGN BROADCASTS OF THE BRITISH BROADCASTING CORP., ALTHOUGH SECRETARY ERNEST BEVIN HAS BEEN RELUCTANT TO ACCEPT ANY REDUCTION. NO EFFECTIVE DATE WAS MENTIONED.

MCNEIL'S STATEMENT WAS MADE AFTER A CONSERVATIVE MEMBER SAID THAT SINCE THE WAR COMMUNIST-CONTROLLED NETWORKS HAD POURED OUT A "TORRENT" OF ANTI-BRITISH PROPAGANDA. IN CONTRAST, THE MEMBER SAID, THE BBC HAD "DELIBERATELY AVOIDED TAKING SIDES." HE OPPOSED "VITUPERATION OR ABUSE" BUT SAID THE BBC "SHOULD ACCEPT THE FACT THAT RUSSIA HAD NEVER ABANDONED POLITICAL WARFARE."

MCNEIL SAID THE BROADCASTS SERVICES "MAY BE THE ONLY INSTRUMENT WE CAN USE TO PENETRATE CERTAIN AREAS, BUT WE HAVE GOT TO CUT OUR EXPENDITURE."

SN1027PES

DEC 1947

SOUTHAMPTON, ENG., DEC.19-(AP)-FRANKLIN COUNTY, PA., SAID "MERRY CHRISTMAS" TO SOUTHAMPTON TODAY AND 25,000 YOUNG BRITONS CARTED HOME AMERICAN APPLES AS A TOKEN OF A TRANSATLANTIC FRIENDSHIP FORGED BY A GI WHO DIED IN GERMANY.

THE APPLES--600 BUSHELS IN ALL--WERE SHIPPED HERE BY FRANKLIN COUNTY ORCHARDISTS IN MEMORY OF SGT.PAUL SHIMER OF CHAMBERSBURG, PA., "THE MILLIONTH YANK" TO EMBARK DURING THE WAR FROM SOUTHAMPTON FOR NORMANDY.

ALL OF SOUTHAMPTON'S 100 SCHOOLS EMPTIED TO HONOR HIS MEMORY TODAY. IN LONG LINES, THEIR CHEEKS AS ROSY AS THE FRUIT, THE CHILDREN STOOD IN A BITING COLD WIND TO HEAR RETOLD THE STORY OF SGT.SHIMER.

HE WAS FETED BY SOUTHAMPTON FOR HIS NUMERICAL DISTINCTION BEFORE HE EMBARKED FOR THE CHANNEL CROSSING. HE MADE FRIENDS WITH REGINALD STRANGER, THE CITY'S WARTIME MAYOR. THEY MADE A DATE TO MEET IN CHAMBERSBURG AFTER THE WAR. SHIMER'S DEATH CANCELLED THAT ENGAGEMENT. STRANGER DID THE NEXT BEST THING.

ON A VISIT TO THE UNITED STATES, HE CALLED ON SHIMER'S WIDOW EARLIER THIS YEAR AND, OUT OF HIS OWN FUNDS, PRESENTED HER $3,000 FOR THE EDUCATION OF HER DAUGHTER, PATRICIA.

THE APPLES WHICH CAME TO SOUTHAMPTON TODAY WERE ONLY A PART OF THE RESPONSE OF APPRECIATION FROM THE PEOPLE OF CHAMBERSBURG AND FRANKLIN COUNTY.

ON THEIR WAY IS ANOTHER $3,000 WORTH OF SCARCE FOOD FOR DISTRIBUTION AMONG THE CITY'S NEEDY CHILDREN.

ALL THE CITY'S DIGNITARIES GATHERED FOR TODAY'S CEREMONY OF DISTRIBUTION--STRANGER, MAYOR FRANK DIBBEN, BOTH THE COMMUNITY'S MEMBERS OF PARLIAMENT, AND WILLIAM BECK, THE U.S. CONSUL GENERAL.

"IS A GREAT AND JOYOUS DAY FOR THE CHILDREN OF SOUTHAMPTON," SAID DIBBEN IN EXPRESSING SOUTHAMPTON'S THANKS TO CHAMBERSBURG AND FRANKLIN COUNTY.

"I WISH THAT YOU IN CHAMBERSBURG WHO HAVE SENT GIFTS TO THE CHILDREN OF THIS BLITZED TOWN COULD JUST SEE THE HAPPY FACES AROUND ME," SAID BECK.

UP STEPPED SLENDER, BROWN-HAIRED BARBARA JONES, 11, WITH THIS MESSAGE:

"ALL THE CHILDREN OF SOUTHAMPTON WOULD LIKE TO THANK OUR AMERICAN COUSINS FOR THESE LOVELY GIFTS."

SHE WANTED "LOVE AND BEST CHRISTMAS GREETINGS" SENT TO CHAMBERSBU SPECIALLY, SHE ADDED, TO PATRICIA SHIMER.

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DEC 1947 30.24- 14361

Northolt, Eng., Dec. 19-(AP)-A thousand shawls arrived by plane from New Bedford, Mass., last night as gifts for British women benefitting from a campaign originated by Mrs. Frances Crane of Woods Hole, Mass., and sponsored by the New Bedford Standard Times.

DEC - 1947

The shawls will be distributed before Christmas by the women's voluntary services in the London area. The gifts were flown free to England by Trans-Ocean airlines of New York.

The garments were made in all parts of the United States, 50 of them in New Bedford alone. Mrs. Crane started the project as a share-a-shawl movement as a practical means for Americans to help the people of Great Britain endure the winter. The Standard-Times was headquarters for the national campaign.

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PARIS, DEC.19-(AP)-DREW PEARSON, U.S. NEWSPAPER AND RADIO COMMENTATOR, WAS AWARDED THE FRENCH LEGION OF HONOR, RANK OF CHEVALIER, TODAY IN RECOGNITION OF HIS WORK IN ORGANIZING "FRIENDSHIP TRAIN" FOOD SHIPMENTS TO FRANCE.

PUBLIC HEALTH MINISTER GERMAINE POINSO-CHAPUIS GAVE PEARSON THE DECORATION IN A CEREMONY AT HER OFFICE.

THE FIRST TRAIN BRINGING FOOD SHIPMENTS FROM LE HAVRE, WHERE 4,000 TONS ARRIVED ABOARD THE FREIGHTER AMERICAN LEADER THIS WEEK, WILL LEAVE FOR PARIS SATURDAY.

PRESIDENT VINCENT AURIOL RECEIVED CAPT. A.C.SMITHIES OF THE AMERICAN LEADER AND OFFICIALS OF THE UNITED STATES LINES, AND EXPRESSED FRANCE'S THANKS.

WM2PES

DEC 1947

NUERNBERG, GERMANY, DEC. 19-(AP)-AN AMERICAN MILITARY TRIBUNAL TRYING THE KRUPP ARMAMENTS FIRM FOR WAR CRIMES DENIED TODAY A SECOND APPEAL BY ALFRED KRUPP FOR THE SERVICES OF AMERICAN ATTORNEY EARL J. CARROLL OF HAYWARD, CALIF.

CARROLL IMMEDIATELY ANNOUNCED TO THE PRESS THAT HE WOULD CARRY THE ISSUE TO THE FEDERAL COURTS IN WASHINGTON, D.C., AND CHALLENGE THE VALIDITY OF ALL THE AMERICAN MILITARY TRIBUNALS IN NUERNBERG.

AS SOON AS THE COURT REAJLITSLRUBPNG, WHICH CHARGED CARROLL WITH "FLAGRANT DEFIANCE" OF ORDERS BY MILITARY GOVERNOR GEN. LUCIUS D. CLAY, DR. OTTO KRANZBUEHLER FORMALLY RESIGNED AS KRUPP'S DEFENSE COUNSEL.

KRANZBUEHLER TOLD THE COURT ALFRED KRUPP, THE CHIEF DEFENDANT AND SOLE OWNER OF THE VAST CANNON MAKING ESTABLISHMENT, "IS ONLY INTERESTED IN BEING REPRESENTED BY CARROLL" AND THAT HE PREFERRED, THEREFORE, TO CONTINUE WITHOUT ANY COUNSEL INASMUCH AS HE HAD BEEN DENIED THE SERVICES OF AN ATTORNEY OF HIS CHOICE.

THE COURT ORDERED KRANZBUEHLER TO CONTINUE DEFENDING KRUPP UNTIL RELIEVED.

CARROLL DECLARED THE REAL ISSUE IS "WHETHER A DEFENDANT IS ALLOWED COUNSEL OF HIS OWN CHOICE."

THE AMERICAN PROSECUTION HOLDS THAT THE MILITARY TRIBUNALS ARE INTERNATIONAL COURTS DERIVING THEIR AUTHORITY AND JURISDICTION FROM A FOUR-POWER AGREEMENT OF THE ALLIED CONTROL COUNCIL AND THAT, THEREFORE, AMERICAN LAWS AND PROCEDURE DO NOT STRICTLY APPLY.

CARROLL CONTENDS THAT THE TRIBUNALS ACTUALLY ARE MILITARY COMMISSIONS, SIMILAR TO COURTS MARTIAL, AND THAT THEY ARE BOUND BY AMERICAN LAW.

CARROLL SAID HE WOULD FLY TO WASHINGTON NEXT WEEK TO FILE A WRIT OF PROHIBITION AGAINST THE AMERICAN SECRETARY OF DEFENSE TO HALT THE PROCEEDINGS OF THE KRUPP CASE.

IN ADDITION, HE SAID HE ALSO WOULD FILE A WRIT OF HABEAS CORPUS IN AN EFFORT TO EFFECT THE RELEASE OF KRUPP AND WOULD SEEK A MANDATE TO COMPEL THE COURT HERE TO RECOGNIZE HIM.

KRUPP HAS MAINTAINED THAT HE REQUIRED AMERICAN COUNSEL TO OBTAIN A "FAIR TRIAL," BUT THE COURT SAID THERE WAS "A STRONG

SUSPICION THAT KRUPP'S APPLICATION HAD NOT BEEN MADE IN GOOD FAITH BUT TO PUT THE TRIBUNAL IN THE UTTERLY FALSE POSITIONN OF DENYING HIM COUNSEL OF HIS CHOICE."

THE COURT CITED A LETTER FROM GEN. CLAY TO CARROLL, A FORMER CAPTAIN, EARLY THIS YEAR DIRECTING HIM "TO REFRAIN FROM ACTING AS COUNSEL" BEYOND FIVE SPECIFIC CASES FOR WHICH HE WAS PERMITTED ENTRY INTO GERMANY. BECAUSE THERE HAVE BEEN NO MODIFICATIONS OF THIS ORDER, THE COURT SAID CARROLL WOULD NOT BE AVAILABLE AS COUNSEL.

"IT IS A MANIFEST FACT THAT THE NEGOTIATIONS WITH KRUPP (BY CARROLL) ARE IN FLAGRANT DEFIANCE OF AN ORDER OF GEN.CLAY," THE COURT ADDED. "NEEDLESS TO SAY THE TRIBUNAL WILL NOT COUNTENANCE SUCH CONDUCT. IN OUR CONSIDERED OPINION HE HAS DISQUALIFIED HIMSELF TO APPEAR BEFORE THIS TRIBUNAL, WHICH WON'T LEND ITS AID TO HANDICAP THE MILITARY GOVERNOR IN DISCHARGING HIS GRAVE RESPONSIBILITIES."

DEC 1947

N832AES

FRANKFURT, GERMANY, DEC.19-(AP)-SURPLUS U.S. ARMY MATERIALS WHICH ORIGINALLY COST MORE THAN $1,000,000,000 (BILLION) HAVE BEEN OFFERED FOR SALE TO THE BRITISH AND AMERICAN ZONES OF GERMANY FOR $236,000,000, OFFICIALS ANNOUNCED TODAY.

THE SURPLUS PROPERTY, TURNED OVER TO THE OFFICE OF FOREIGN LIQUIDATION COMMISSION FOR DISPOSAL, INCLUDES MEDICAL SUPPLIES, CARGO VEHICLES AND SPARE PARTS, WIRE AND COMMUNICATIONS EQUIPMENT, CONSTRUCTION MACHINERY, TENTAGE, HARDWARE, KITCHEN UTENSILS, TEXTILES AND OTHER ITEMS NO LONGER REQUIRED BY THE ARMY OF OCCUPATION HERE.

THE GERMAN BIZONAL ECONOMICS COUNCIL YESTERDAY AUTHORIZED ITS STEERING COMMITTEE TO NEGOTIATE FOR THE PURCHASETO

THE GERMAN BIZONAL ECONOMICS COUNCIL YESTERDAY AUTHORIZED ITS STEERING COMMITTEE TO NEGOTIATE FOR THE PURCHASE. THE GERMANS ARE TO PAY FOR THE GOODS FROM FUTURE EXPORT PROFITS.

MAJ.GEN.DONALD H.CONNOLLY, U.S. FOREIGN LIQUIDATION COMMISSIONER, EXPLAINED THAT "THE PROPOSED SALE WOULD FOLLOW THE PATTERN ESTABLISHED BY OFLC IN MANY OTHER COUNTRIES" WHERE IT WAS FOUND MOST PRACTICAL TO SELL SURPLUS IN THE COUNTRY IN WHICH IT WAS LOCATED, TO MINIMIZE LOSSES FROM DEPRECIATION AND THEFT AND REDUCE THE COST OF CARE AND HANDLING.

DEC 1947

LS/DA353PES

BELGRADE, DEC.19-(AP)-MORE THAN TWO-THIRDS OF THE THIRD COMINFORM BULLETIN NOW OFF THE PRESS IS DEVOTED TO REPORTS ON THE ACTIVITIES OF THE COMMUNIST PARTIES IN HUNGARY, BULGARIA AND ROMANIA.

THE BULLETIN, CONTAINING TEXTS OF REPORTS GIVEN AT THE NINE-NATION COMMUNIST CONFERENCE IN POLAND LAST SEPTEMBER WHICH ORGANIZED THE COMINFORM (COMMUNIST INFORMATION BUREAU) IN BELGRADE, LISTED THE CLAIMED STRENGTH OF THE PARTIES, NOTED THEIR ACTIVITIES AND EXPLAINED THEIR FOREIGN POLICY AND A HISTORY OF THEIR DEVELOPMENT.

THE BULLETIN CARRIED A STRONG ATTACK AGAINST THE FRENCH SOCIALIST LEADER, LEON BLUM, AND CRITICIZED FORMER U.S. SECRETARY OF STATE JAMES F. BYRNES.

THE COMMUNIST REPORT DEALT SPECIFICALLY WITH BYRNES' RECENTLY-PUBLISHED BOOK, "FRANKLY SPEAKING," AND SAID HE HAD USED STENOGRAPHIC NOTES INSTEAD OF GIVING AN "ANALYSIS AND PICTURE OF HIS COUNTRY'S FOREIGN POLICY."

THE BULLETIN ALSO DECLARED THAT 237,384 NEW MEMBERS HAD BEEN ACCEPTED INTO THE COMMUNIST PARTY OF CZECHOSLOVAKIA IN 1947.

ITS TWO MAIN FRONTPAGE ARTICLES WERE GENERAL COMMENTARIES. ONE WAS ON "THE STRUGGLE OF THE FRENCH PEOPLE FOR FREEDOM AND INDEPENDENCE." THE OTHER OUTLINED THE GROWTH OF COMMUNIST MOVEMENTS IN EUROPE, PARTICULARLY IN FRANCE AND ITALY. THE LATTER ARTICLE CARRIED THE HEADING, "FORCES OF DEMOCRATIC CAMP ARE GAINING STRENGTH."

THE ONLY ACTUAL NEWS ITEM APPEARING IN THE BULLETIN WAS A REPORT THAT THE CHAIRMAN OF THE ROMANIAN TRADE UNION COMMITTEE HAD ANNOUNCED THAT "THE WORKING PEOPLE OF ROMANIA HAVE RESOLVED TO CONTRIBUTE TWO HOURS' IN EARNINGS IN SUPPORT OF THE GREEK PEOPLE" (MEANING THE COMMUNIST-LED GREEK GUERILLAS).

IT WAS ANNOUNCED THAT 15 TONS OF COMMODITIES, PROVISIONS AND CLOTHING ALREADY HAD BEEN SENT TO GREECE AND ANOTHER 60 TONS WAS READY FOR SHIPMENT.

FH105IAES

BUCHAREST, DEC 19-(AP)-MARSHALL TITO ANNOUNCED TODAY THE SIGNING OF A MUTUAL ASSISTANCE PACT BETWEEN ROMANIA AND YUGOSLAVIA.

LAST WEEK TITO SIGNED A MUTUAL AID PACT WITH HUNGARY AND EARLIER A SIMILAR AGREEMENT WITH BULGARIA. A SIMILAR PACT WAS ALSO SIGNED BY BULGARIA AND ALBANIA.

IN HIS ANNOUNCEMENT TITO SAID:

"WE SIGNED THIS ALLIANCE IC ORDER TO CHECK THE WARMONGERS. THIS TREATY IS OF INTRNATIONAL IMPORTANCE AND WILL HELP DEMOCRATIC DEVELOPMENTS AND PEACEFUL RECONSTRUCTION OF OUR PEOPLES."

TITO DECLARED THAT THE PACT CREATED A PEACE FRONT AGAINST "WARMONGERS," AND WOULD FOIL "IMPERIALIST PLANS."

M816AES

WARSAW, DEC 19-(AP)-POLAND ANNOUNCED TODAY SHE HAD REJECTED A FRENCH PROTEST AGAINST VICE PREMIER WLADISLAW GOMULKA'S DECLARATION THAT FRENCH INTERIOR MINISTER JULES MOCH HAD USED "BRUTAL TERROR" IN COPING WITH THE RECENT FRENCH STRIKES.

THE GOVERNMENT TOOK THE POSITION THAT WHEN GOMULKA MADE THE REMARK IN WROCLAW DEC. 14 HE WAS SPEAKING IN HIS CAPACITY AS SECRETARY GENERAL OF THE WORKERS' PARTY AND NOT AS VICE PREMIER.

"THUS THE POLISH GOVERNMENT FINDS IT AIMLESS TO DISCUSS ANY FRAGMENTS OF GOMULKA'S SPEECH," A SPOKESMAN SAID.

GOMULKA SPOKE BEFORE THE POLISH SOCIALISTS' CONGRESS IN WROCLAW. HE SAID MOCH "ORDERED POLICE TO SHOOT AT STRIKING FRENCH WORKERS AND BY BRUTAL TERROR BUT DOWN THEIR FIGHT FOR INCREASED WAGES."

DEC 1947

FH145PES

PRECEDE LONDON (A43) (180)

MOSCOW, DEC. 19-(AP)-LAZARUS M.KAGANOVICH, WHO MANY TIMES HAS BEEN GIVEN THE TOUGHEST JOB ON THE ECONOMIC FRONT, HS BEEN REAPPOINTED TO HIS OLD POST OF VICE CHAIRMAN OF THE SOVIET UNION'S COUNCIL OF MINISTERS (CABINET), SAID AN OFFICIAL ANNOUNCEMENT PUBLISHED IN ALL MOSCOW NEWSPAPERS TODAY.

HAGANOVICH RESIGNED HIS VICE PREMIERSHIP LAST MARCH AFTER APPOINTMENT AS SECRETARY OF THE COMMUNIST PARTY ORGANIZATION IN THE UKRAINE WITH HEADQUARTERS IN KIEV. THE ANNOUNCEMENT DID NOT SAY WHETHER HE WOULD KEEP HIS KIEV JOB OR RETURN TO MOSCOW. HOWEVER,

30.24- 14363

THE COUNCIL'S OTHER VICE CHAIRMEN ALL LIVE IN MOSCOW.
KAGANOVICH'S REPUTATION IS THAT OF AN ECONOMIC ORGANIZER. IN THE EARLY THIRTIES, HE MANAGED CONSTRUCTION OF THE MOSCOW SUBWAY.
IN 1935, HE REORGANIZED SOVIET RAILWAYS, THEN IN A DIFFICULT POSITION AND WITHIN A YEAR BOOSTED CARLOADINGS AND HAULAGE TREMENDOUSLY.
DURING THE WAR HE WAS CALLED BACK TO MANAGE SOVIET RAIL TRANSPORT IN THE FACE OF WARTIME DISLOCATIONS. AT THE END OF THE WAR HE BECAME MINISTER OF THE CONSTRUCTION MATERIALS INDUSTRY, WHICH UNDER HIS GUIDANCE FAR EXCEEDED PLANS FOR PRODUCTION OF BRICKS, CEMENT, GLASS AND THE LIKE. INTHE LAST NINE MONTHS, WITH UKRAINIAN PREMIER NIKITA KRUSHCHEV, HE HAS HEADED RECONSTRUCTION AND REORGANIZATION OF THE UKRAINE.

SN1054PES

ARAB PREPARATIONS FOR THE ANTI-PARTITION FIGHT WERE BEING PUSHED IN THE HOLY LAND ITSELF AND ELSEWHERE IN THE MIDDLE EAST. THE SYRIAN DEFENSE MINISTRY ANNOUNCED IN DAMASCUS THAT IT HAD ACCEPTED THE RESIGNATIONS OF SOME ARMY OFFICERS WHO WISHED TO VOLUNTEER TO FIGHT ZIONISTS IN PALESTINE.

A REPRESENTATIVE OF COMPANIES INTERESTED IN THE PIPELINE TO RUN FROM AMERICAN OIL CONCESSIONS IN SAUDI ARABIA TO THE MEDITERRANEAN SAID IN CAIRO THAT WORK HAD BEEN SUSPENDED ON THE WESTERN END OF THE PROJECT BECAUSE OF UNREST IN THE MIDDLE EAST. AMERICAN EMPLOYES OF THE TRANS-ARABIAN PIPELINE COMPANY WERE WITHDRAWN FROM TRANS-JORDAN RECENTLY FOLLOWING ATTACKS ON ONE OF THEIR MOTOR CONVOYS. add - Jerusalem (Nite -) KX Nablus —

IN THE TEL AVIV-JAFFA BORDERLAND BATTLEFIELD HAGANA FIGHTERS ATTACKED SHALLOW ARAB TRENCHES KILLING ONE ARAB AND WOUNDING THREE OTHERS. TWO JEWS ALSO WERE WOUNDED. A SPOKESMAN FOR HAGANA SAID THE ARAB TRENCHES HAD BEEN DUG UNDER COVER OF ARAB SNIPING FROM THE VILL

GE OF TEL ERRISH.

DEC 1947

THE ARAB TRENCHES HAD BEEN DUG UNDER COVER OF ARAB SNIPING FROM THE VILLAGE OF TEL ERRISH. ANOTHER ARAB WAS KILLED IN THE SAME GENERAL AREA.

A JEW WAS FOUND SHOT TO DEATH NEAR A MOSQUE IN HAIFA AND IN THE OLD CITY OF JERUSALEM A JEW FLED INTO A CHRISTIAN CHURCH TO ESCAPE AN ARAB MOB.

THE FREIGHT TRAIN HOLDUP OCCURRED NEAR TULKARM ON THE LYDDA-HAIFA SECTION OF THE PALESTINE RAILWAY. TULKARM IS SAID BY ARAB SOURCES TO BE THE DISTRICT HEADQUARTERS OF THE ARAB "PEOPLE'S ARMY."

THE ARABS STOPPED THE TRAIN BY EXPLODING A BOMB ON THE RIGHT-OF-WAY. THEN THEY REMOVED 35 TONS OF SUGAR FROM THE CARS, LOADED THIS CARGO ONTO WAITING TRUCKS AND DROVE OFF. THERE WERE NO CASUALTIES.

ELSEWHERE IN THE MIDDLE EAST THE PREMIERS OF SEVEN ARAB STATES BEGAN THE RETURN TRIPS TO THEIR CAPITALS AFTER ATTENDING THE ARAB LEAGUE MEETING IN CAIRO. THEY HAD DECIDED "TO INDULGE IN THE BATTLE IMPOSED UPON THEM" BY PARTITION AND TO CONTINUE THE STRUGGLE TO A VICTORIOUS CONCLUSION.

PREMIER SALEH JABR OF IRAQ REACHED BAGHDAD, AND DECLARED "THE

DEC 1947

DREAM CREATION OF A ZIONIST STATE IN PALESTINE WILL VANISH, BUT BY MEANS OF TREMENDOUS SACRIFICES FROM BOTH SIDES."

IT WAS REPORTED IN DAMASCUS THAT THE ARAB LEADERS HAD ADOPTED 17 SECRET RESOLUTIONS AT CAIRO DEALING WITH THEIR STAND AGAINST PARTITION.

REPORTS WERE RECEIVED IN JERUSALEM THAT ARABS ON THE ISLAND OF ZANZIBAR OFF AFRICA'S EAST COAST HAD PLEDGED THEMSELVES TO PARTICIPATE IN THE FIGHT AGAINST PARTITION. ZANZIBAR, A BRITISH PROTECTORATE, HAS A POPULATION OF APPROXIMATELY 150,000 ARABS, AFRICANS AND INDIANS.

SALESMEN FOR AMERICAN BUSINESS CONCERNS SAID THAT ANTI-AMERICAN FEELING AMONG ARABS OF THE MIDDLE EAST WAS GROWING STRONGER. THEY SAID THEY WERE UNABLE TO TRAVEL IN PALESTINE AND THAT THEIR BUSINESS RELATIONS HAD BEEN CUT IN HALF.

JS637PES

VIOLENCE AROUSED BY THE UNITED NATIONS DECISION NOV.29 TO PARTITION PALESTINE HAD WANED YESTERDAY, BUT ARAB SPOKESMEN SAID "IT IS A LULL THAT MAY END AT ANY MOMENT."

THE TOTAL OF DEAD IN PALESTINE FROM NOV.29 THROUGH YESTERDAY WAS 266 ACCORDING TO ASSOCIATED PRESS FIGURES.

THE SYRIAN DEFENSE MINISTRY ANNOUNCED IN DAMASCUS IT HAD ACCEPTED THE RESIGNATIONS OF SOME ARMY OFFICERS WHO WISHED TO VOLUNTEER FOR SERVICE IN PALESTINE IN A FIGHT AGAINST PARTITION.

ARAB SOURCES IN CAIRO SAID LAST NIGHT REPRESENTATIVES OF THE ARAB LEAGUE DECIDED AT THEIR RECENT SESSIONS TO COLLECT $8,000,000 TO EQUIP ARABS VOLUNTEERING TO FIGHT IN THE HOLY LAND.

A REPRESENTATIVE OF COMPANIES INTERESTED IN THE PIPELINE TO RUN FROM AMERICAN OIL CONCESSIONS IN SAUDI ARABIA TO THE MEDITERRANEAN SAID IN CAIRO THAT WORK HAD BEEN SUSPENDED ON THE WESTERN END OF THE PROJECT BECAUSE OF THE MIDDLE EAST UNREST. AMERICAN EMPLOYES OF THE TRANS-ARABIAN PIPELINE COMPANY WERE WITHDRAWN FROM TRANS-JORDAN RECENTLY FOLLOWING ATTACKS ON ONE OF THEIR MOTOR CONVOYS.
--DASH--add - Jerusalem (Day -) — KXX eastern Date.

(EDS: JERUSALEM DATE WILL STAND AS MIDDLE EAST ROUNDUP IN VIEW OF LACK OF MAJOR DEVELOPMENTS ELSEWHERE.)

EZ922AES

DEC 1947

JERUSALEM,DEC.19-(AP)-THE ASSOCIATED PRESS TABULATION OF DEATHS WITHIN JERUSALEM FROM COMMUNAL VIOLENCE OVER PARTITION TOTALED 30 TODAY.

THE DEAD WERE 17 ARABS, 10 JEWS, ONE BRITISH POLICEMAN, ONE TRANS-JORDAN FRONTIER FORCE TROOPER AND ONE ARMENIAN.

BJ1210PES

AMERICAN EMPLOYES OF THE TRANS-ARABIAN PIPE LINE COMPANY WERE WITHDRAWN FROM TRANSJORDAN FOLLOWING RECENT ATTACKS ON ONE OF THEIR MOTOR CONVOYS, THE REPRESENTATIVE ADDED, AND ARE NOW STANDING BY IN BEIRUT UNTIL IT IS APPARENT WHETHER THE PROJECT CAN BE CONTINUED.

ANOTHER FACTOR IS THE UNCERTAINTY OF OBTAINING THE SYRIAN PARLIAMENT'S APPROVAL OF A RIGHT OF WAY AGREEMENT. MANY AMERICANS BELIEVE THE NECESSARY APPROVAL WILL BE UNOBTAINABLE AS LONG AS RESENTMENT

AGAINST THE UNITED STATES' PART IN THE U.N. PARTITION DECISION CONTINUES. add - Cairo - (Day) - +++ Saudi Arabia —

INITIAL SHIPMENTS OF PIPE WERE RECEIVED BEFORE THE UNITED NATIONS DECISION, BUT THE PROJECT WAS ONLY IN THE INITIAL STAGE AND NOT EXPECTED TO BE COMPLETED UNTIL 1950.

OIL FROM THE RICH SAUDI-ARABIAN FIELDS, OPERATED BY THE ARABIAN-AMERICAN OIL COMPANY, NOW MOVES BY TANKER FROM THE PERSIAN GULF PORTS AROUND THE ARABIAN PENINSULA AND THROUGH THE SUEZ CANAL.

IT IS ESTIMATED THAT THE 31-INCH PIPELINE, WHICH IS DESIGNED TO FUNNEL 330,000 BARRELS OF OIL DAILY, WILL SAVE 85 TO 90 TANKERS.

DEC 1947

HJ647AES

WITH JERUSALEM

BY EDWARD CURTIS

BEIRUT, LEBANON, DEC. 19-(AP)-A HIGH LEBANESE GOVERNMENT OFFICIAL SAID TODAY HE "FEARED SOVIET RUSSIA MIGHT OFFER ARMS TO THE ARABS FOR USE IN PALESTINE AND THE ARABS WOULD ACCEPT THEM."

TTHE OFFICIAL, WHO DECLINED USE OF HIS NAME, ADDED THAT HE KNEW OF NO OVERTURES FROM RUSSIA "AS YET."

"SOME WESTERN NATIONS HAVE ALREADY BANNED SHIPMENTS TO THE MIDDLE EAST. BUT THE ARABS WILL TAKE ARMS FROM WHEREVER THEY CAN GET THEM, EVEN FROM RUSSIA ALTHOUGH THEY HATE COMMUNISM," HE ADDED.

MEANWHILE, THE AMERICAN-OWNED TRANS-ARABIAN PIPELINE COMPANY HAS HALTED ALL FIELD WORK IN TRANS-JORDAN, SYRIA AND LEBANON SINCE THE DISORDERS IN ARAB COUNTRIES WHICH FOLLOWED THE UNITED NATIONS DECISION FAVORING PARTITION OF THE HOLY LAND.

FIELD PARTIES WERE FLOWN BY SPECIAL PLANE BACK TO BEIRUT OR TO SAUDI ARABIA. ALL EQUIPMENT WAS PLACED AT DEPOT POINTS, ONE OF THEM GUARDED BY ARAB LEGION SOLDIERS IN TRANS-JORDAN.

WHILE THE COMPANY IS MARKING TIME FROM THE MEDITERRANEAN END, WORK FROM THE SAUDI ARABIAN END IS CONTINUING, COMPANY SOURCES SAID. THESE INFORMANTS ADDED THAT NO ATTEMPT WOULD BE MADE TO RESUME WORK IN SYRIA, LEBANON OR TRANS-JORDAN UNTIL THE "SITUATION CLARIFIES."

TRANS-ARABIAN IS SPENDING $200,000,000 (MILLION) ON THE PIPELINE FROM THE SAUDI ARABIAN OIL FIELDS TO LEBANON AND ON THE CONSTRUCTION OF A REFINERY AT SID[illegible], LEBANON.

HR604PES

Madras, India, Dec. 19-(AP)-Police fired tear [illegible] twice today into a procession of city and government clerks, defying a ban and marching along beaan road calling on other workers in secretariats to join them.

An estimated 70,000 clerks [illegible] struck four days ago throughout the province for an increased cost of living allowance. Police arrested a dozen communists accused of trying to get workers in several industrial concerns to

join the strike in sympathy. Strik[illegible]

streetcars but failed to persuade o[illegible]

Kalyanam 1900 apr rm [illegible] 1503

TIENTSIN, CHINA, 5 $3:. 19-(AP)-ARRANGEMENTS WERE COMPLETED TODAY FOR SEVEN CHINESE COMMUNISTS TO LEAVE TOMORROW FOR COMMUNIST TERRITORY, WHERE THEY ARE TO BE EXCHANGED FOR SEVEN UNRRA EMPLOYES, INCLUDING TWO AMERICANS.

THE COMMUNISTS, FIVE OFFICIALS AND TWO SERVANTS OF THE SO-CALLED CHINESE LIBERATED AREAS RELIEF ADMINISTRATION, WERE EXPECTED TO LEAVE UNDER PROTEST BECAUSE OF CONFISCATION OF THEIR FILES IN SHANGHAI.

THEY ARE DUE TO BE TAKEN TO HUITSAIYU, 135 MILES SOUTH OF TIENTSIN, BY PERRY HANSON, JR., OF NEW YORK, UNRRA OFFICIAL, WHO WILL BRING BACK THE SEVEN UNRRA EMPLOYES WHO HAVE BEEN WORKING IN COMMUNIST TERRITORY.

THEY ARE THE AMERICANS MARCY DITMANSON AND MISS WINIFRED HEMINGWAY (.S. -$$43''3' 7,-;-8)-?)3);

THEY ARE THE AMERICANS MARCY DITMANSON AND MISS WINIFRED HEMINGWAY (U.S.(-$$43''3' 7,-

U

(U.S.ADDRESSES UNAVAILABLE); CONRAD CASTOR, AUSTRALIAN; BOB GRANDON, BRITISH; AND THREE SOVIET RUSSIANS.

THE COMMUNISTS HAVE SAID WITHDRAWAL OF THIS GROUP DEPENDS ON SAFE RETURN OF THE CLARA PARTY. SCHEDULED TO RETURN WITH THE AMERICANS IS JACK DODDS OF TORONTO, ONT., A MEMBER OF A FRIENDS (QUAKER) SERVICE UNIT WHO WENT INTO COMMUNIST TERRITORY TO INVESTIGATE THE CRASH OF A PLANE PILOTED BY HARLEY MOORE, AMERICAN AIRMAN WHO WAS REPORTED KILLED OCT. 17.

XA143PCS NM

DEC 1947

DEC 1947 30.24- 14365

BY RUSSELL BRINES

TOKYO, SATURDAY, DEC.20-(AP)-MILITARY SUPPLIES WORTH 100,000,000,000 (BILLION) YEN WERE DISTRIBUTED THROUGHOUT JAPAN AT THE GOVERNMENT'S ORDER BEFORE THE ALLIES LANDED IN 1945 AND THE RECORDS WERE DESTROYED, A SPECIAL JAPANESE DIET COMMITTEE REPORTED TODAY.

THE COMMITTEE ESTIMATED AT LEAST 5,000,000,000 YEN WORTH OF INDUSTRIAL AND OTHER MATERIALS STILL ARE BEING HOARDED BY PUBLIC OFFICIALS AND BUSINESSMEN WHO THINK "THE OCCUPATION FORCES WILL WITHDRAW BEFORE LONG." POSSIBLY SOME ARMS WERE INCLUDED, IT ADDED.

(IT IS DIFFICULT TO CONVERT THESE YEN FIGURES INTO TERMS OF DOLLARS BECAUSE JAPAN HAD NO FOREIGN EXCHANGE THEN. THE YEN NOW IS WORTH 2 CENTS AT THE ARTIFICIAL OCCUPATION RATE.)

THE COMMITTEE CHARGED ITS EFFORTS TO UNCOVER THESE CACHES WERE OPPOSED BY MANY PERSONS, INCLUDING "BRIBED" PUBLIC OFFICIALS.

IT SAID THHE ORDERS TO DISTRIBUTE THE MILITARY STOCKS WAS ISSUED BY PREMIER KANTARO SUZUKI'S CABINET AUG.14, 1945, THE DAY OF SURRENDER, AND SUBSEQUENT GOVERNMENTS IGNORED ALLIED ORDERS TO TRACE THEM.

KANJU KATO, MEMBER OF THE MAJORITY SOCIAL DEMOCRATIC PARTY, HEADED THE HOUSE OF REPRESENTATIVES COMMITTEE WHICH SPENT FOUR MONTHS INVESTIGATING THE "HOARDED GOODS SCANDAL."

SPEAKER KOMAKICHI MATSUOKA ANNOUNCED THE REPORT OFFICIALLY TODAY AS A PRELUDE TO APPOINTING A NEW INVESTIGATING COMMITTEE ARMED WITH GREATLY INCREASED POWERS.

THE COMMITTEE CHARGED THE ALLIES RECOVERED FOOD AND CLOTHING AND TURNED THEM OVER TO THE GOVERNMENT FOR THE NEEDY, BUT VAST PROFITS WERE MADE ON MANY OF THESE DEALS.

THE REPORT SAID SUZUKI'S CABINET MET ON THE DAY OF SURRENDER AND DECIDED "TO DISPOSE OF MATERIALS POSSESSED BY THE ARMED FORCES IMMEDIATELY BEFORE THE LANDING OF THE OCCUPATION FORCES."

"THE DECISION WAS MADE," THE COMMITTEE RELATED, "AS A STRATEGIC MEASURE FOR PREVENTING THE GROWING TENDENCY OF THE PEOPLE TO ALIENATE THE ARMED FORCES."

THIS PRESUMABLY MEANT TO KEEP THE JAPANESE FROM TURNING ON THEIR MILITARISTS.

THE WAR OFFICE ORDERED DESTROYED ALL RECORDS RELATING TO WAR MATERIALS, EXCEPT THOSE DEALING WITH MUNITIONS. MUNITIONS ERE SURRENDERED TO THE ALLIES.

DEC 1947

FJ1054PCS NM

BATAVIA, JAVA, DEC.19-(AP)-THE DUTCH-SPONSORED WEST JAVA CONFERENCE AT BANDOENG HAS VOTED TO HOLD A THIRD MEETING TO FORM A PROVISIONAL GOVERNMENT FOR A NEW WEST JAVA STATE AND ESTABLISH A PARLIAMENT, THE NETHERLANDS EAST INDIES GOVERNMENT INFORMATION SERVICE SAID TODAY. THE DATE WAS NOT ANNOUNCED.

HUBERTUS J. VAN MOOK, ACTING GOVERNOR GENERAL OF THE DUTCH EAST INDIES, WILL GO TO BANDOENG TO HAVE LUNCH WITH THE DELEGATES BEFORE THEIR DEPARTURE. DUTCH REPRESENTATIVES ORIGINALLY REFRAINED FROM ATTENDING THE CONFERENCE.

A CONFERENCE RESOLUTION, ADOPTED 139 TO 7, ASKED THE CENTRAL NETHERLANDS EAST INDIES REGIME TO "TRANSFER AS SOON AS POSSIBLE THE RIGHT OF AUTHORITY TO GOVERN TO THE SAID PROVISIONAL GOVERNMENT."

FH148PES

POINTING OUT THAT THE FOUR MAJOR POWERS DID NOT CONTROL PROCEEDINGS AT THE U.N. GENERAL ASSEMBLY, EVATT SAID: "IF THEY HAVE A STRONG CASE THERE THEY WIN IT; IF NOT THEY LOSE IT AND ACCEPT THE DECISION. THE SAME THING MUST BE APPLIED TO THE SETTLEMENT OF PEACE IN GERMANY OR THERE NEVER WILL BE A SETTLEMENT IN GERMANY."

HE ATTACKED THE "EXCLUSIVENESS AND NARROWNESS" OF THE BIG FOUR DISCUSSIONS AND SAID: "I AM NOT CRITICIZING OR DEFENDING ANY ONE COUNTRY. MY FAITH IS THAT THE UNITED NATIONS ASSEMBLY WILL SUCCEED IN KEEPING PEACE, AND THE MAJOR POWERS SHOULD FOLLOW THE BROAD DEMOCRATIC OUTLOOK OF THE ASSEMBLY--FOR IN THE MULTITUDE OF THE ASSEMBLY THERE IS SAFETY."

LS415PES add- Sydney (Nite)- XXX he said

MEXICO CITY, DEC.19-(AP)-MEXICO "FULLY UNDERSTANDS WHAT FREEDOM OF THE PRESS MEANS TO THE CONSERVATION OF ALL PRINCIPLES THAT MAKE IT POSSIBLE TO ATTAIN OUR REAL IDEALS," PRESIDENT MIGUEL ALEMAN TOLD A MEETING OF THE MEXICAN NEWSPAPERMEN'S GUILD YESTERDAY.

REAFFIRMING THE ADMINISTRATION'S DETERMINATION TO PROTECT FREEDOM OF THE PRESS, THE PRESIDENT SAID "OUR CONSTITUTION MAINTAINS THE PRINCIPLE OF FREEDOM OF THE PRESS AND THE GOVERNMENT RESPECTS AND PROTECTS THAT FREEDOM, BECAUSE THE COUNTRY RESTS ON THE PRESS FOR THE SHEER EXPRESSION OF ITS WAY OF LIVING--IT GIVES THE FIRST STIMULUS TO THE POLITICAL AWARENESS OF THE PEOPLE."

SD500PCS

HAVANA, DEC.19-(AP)-R.J.SHACKLE, BRITISH DELEGATE, TOLD THE INTERNATIONAL TRADE CONFERENCE HERE YESTERDAY THAT THE "MOST-FAVORED NATION" POLICY SHOULD BE A CARDINAL PRINCIPLE OF THE CHARTER FOR AN INTERNATIONAL TRADE ORGANIZATION.

SHOULD ANY EXCEPTIONS TO THIS PRINCIPLE BE LIGHTLY OBTAINED, SHACKLE SAID, THEY WOULD "DESTROY THE WHOLE STRUCTURE" OF THE PROPOSED CHARTER WHICH THE CONFERENCE IS NOW ENGAGED IN DRAFTING.

UNDER THE "MOST FAVORED NATION" PRACTICE A COUNTRY RECEIVES ON A RECIPROCAL BASIS ALL THE TRADE BENEFITS AND PRIVILEGES WHICH IT ACCORDS TO ANY OTHER. THE ITO PROPOSES TO MAKE THIS PRINCIPAL UNIVERSAL AMONG ITS MEMBERS.

DEC 1947

SHACKLE SPOKE AT A SUBCOMMITTEE MEETING WHICH WAS DEBATING A PROPOSAL BY ARGENTINA, CHILE AND VENEZUELA WHICH WOULD ELIMINATE A CHARTER PROVISION BANNING NEW PREFERENTIAL TRADE AGREEMENTS.

JP719AES

PANAMA, PANAMA, DEC. 19-(AP)-A COMMITTEE OF THE NATIONAL ASSEMBLY VOTED TODAY FOR CONDITIONAL RATIFICATION OF A PROPOSED AGREEMENT WITH THE UNITED STATES COVERING PANAXA CANAL DEFENSE BASES.

THE COMMITTEE RECOMMENDED FOUR RESERVATIONS. THE PRINCIPAL ONE WOULD REDUCE THE TERM OF OCCUPATION OF THE RIO HATO AIR BASE FROM 10 YEARS, PLUS 10 YEARS RENEWAL, TO FIVE YEARS RENEWABLE FOR FIVE MORE.

THE COMMITTEE ALSO STIPULATED THAT THE NEW AGREEMENT SHOULD CONTAIN A DECLARATION THAT THE 1942 AGREEMENT, AUTHORIZING U.S. USE OF 134 WARTIME DEFENSE SITES, HAD EXPIRED. IT PROPOSED THAT THE ASSEMBLY VOTE ON THE AGREEMENT MONDAY.

IN THE LONG NEGOTIATIONS ON THE AGREEMENT NOW BEFORE THE ASSEMBLY, PANAMA HAS HELD THAT THE WARTIME AGREEMENT RAN OUT A YEAR AFTER JAPAN'S 1945 FORMAL SURRENDER, WHILE THE U.S. HAS INSISTED THAT IT REMAINS IN FORCE UNTIL A YEAR AFTER SIGNATURE OF A PEACE TREATY.

SEVERAL HUNDRED STUDENTS PACKED THE GALLERIES, SHOUTING, "WE WANT NO AGREEMENT," AND LATER PARADED DOWN CENTRAL AVENUE.

TA731PES

NIGHT LEAD ITO

BY KRIS KREEGER

DEC 1947

HAVANA, DEC. 19-(AP)-A SOUTH AFRICAN DELEGATE TODAY ACCUSED THE HAVANA TRADE CONFERENCE OF DAWDLING IN ITS JOB OF WORKING OUT A CHARTER FOR AN INTERNATIONAL TRADE ORGANIZATION, AND DECLARED THAT "IF THIS CONTINUES WE'LL STILL BE HERE IN 1949."

SPEAKING IN THE COMMITTEE ON EMPLOYMENT AND ECONOMIC ACTIVITIES, SOUTH AFRICAN J.E.HOLLOWAY COMPLAINED ABOUT THE TECHNICALITY OF THE DEBATE AND A SUGGESTION TO SEND A ONE-PARAGRAPH CLAUSE ON LABOR STANDARDS BACK TO A SUBCOMMITTEE WHICH ALREADY HAD CONSIDERED IT.

"THE CONFERENCE SEES LIONS IN ITS PATH WHEN THERE ARE ONLY DUMMIES," HOLLOWAY EXCLAIMED. "INSTEAD OF GOING INTO REFINEMENTS OF WORDING WE SHOULD FINISH WITH THE TEXT ONCE AND FOR ALL. WE'RE WORKING AGAINST TIME, AND IF THIS CONTINUES WE'LL STILL BE HERE IN 1949."

JAN. 15 IS THE TARGET DATE FOR ENDING OF THE CONFERENCE, WHICH BEGAN NOV. 21.

THE PARAGRAPH IN QUESTION WOULD OBLIGE MEMBERS TO ELIMINATE SUB-STANDARD LABOR PRACTICES. MOST OF THE DEBATE HAS CENTERED AROUND THE QUESTION OF WHETHER THE PROPOSED ITO SHOULD GO DEEPLY INTO THE MATTER OR LEAVE IT FOR THE INTERNATIONAL LABOR ORGANIZATION.

RW549PES

DEC 1947

OTTAWA, DEC. 19-(AP)-PARLIAMENT TONIGHT EXTENDED UNTIL NEXT MARCH 31 THE GOVERNMENT'S POWERS TO REQUISITION FARM PRODUCTS TO MEET FOOD CONTRACTS WITH GREAT BRITAIN, AND THEN RECESSED FOR CHRISTMAS TO MEET AGAIN JAN. 25.

THE ONLY OTHER POSITIVE ACTION OF PARLIAMENT IN A TWO-WEEK EXTRAORDINARY EARLY SESSION WAS EXTENSION UNTIL NEXT MARCH 31 OF EMERGENCY POWERS OF THE GOVERNMENT TO IMPOSE PRICE AND OTHER CONTROLS.

THE SESSION WAS MARKED BY SHARP DEBATES OVER CANADA'S LITTLE "AUSTERITY PROGRAM" OF RESTRICTING IMPORTS TO SAVE UNITED STATES DOLLARS AND OVER PROBLEMS CREATED BY RISING LIVING COSTS.

THESE DEBATES WILL BE RESUMED WHEN PARLIAMENT RECONVENES. ITEMS CARRIED OVER FOR SUBSEQUENT ACTION INCLUDE A BILL TO CONTINUE IN EFFECT EMERGENCY MEASURES FOR FOREIGN EXCHANGE THAT WERE IMPOSED BY AN ORDER IN COUNCIL LAST MONTH, AND RATIFICATION OF THE GENEVA TRADE AND TARIFF AGREEMENT.

S1128PES

WASHINGTON,DEC.19-(AP)-THE STATE DEPARTMENT ANNOUNCED TODAY THAT THE UNITED STATES HAS AGREED TO SUSPEND A SECTION OF THE NEW TRADE AGREEMENT WITH BRITAIN BECAUSE OF A "MISUNDERSTANDING" OVER ITS PROVISIONS.

SOME 700 ITEMS ARE LISTED IN THE SECTION, WHICH IS SECTION C OF SCHEDULE XIX OF THE AGREEMENT NEGOTIATED RECENTLY AT THE WORLD TRADE CONFERENCE AT GENEVA.

IT PROVIDES FOR REDUCTIONS IN MARGINS OF PREFERENCE IN BRITISH COLONIAL AREAS, AND ALSO STATES THAT THIS CONCESSION MADE BY BRITAIN MAY BE SUSPENDED IN THE EVENT THAT UNITED STATES REGULATIONS REQUIRE CONSUMPTION OF AN INCREASED PERCENTAGE OF GENERAL PURPOSE SYNTHETIC RUBBER.

BRITAIN ASKED FOR THE SUSPENSION, AND THE UNITED STATES AGREED, PENDING RENEGOTIATION. THE STATE DEPARTMENT SAID THAT THE PROVISIONS OF THE SECTION "DID NOT BECOME CLEAR" UNTIL AFTER THE GENEVA CONFERENCE.

MD1257AESNM

DEC 1947

WASHINGTON,DEC. 19-(AP)-EARLY APPROVAL OF LEGISLATION PROVIDING FOR THE UNITED STATES TO ACCEPT ITS "FAIR SHARE" OF EUROPE'S DISPLACED PERSONS WAS URGED TODAY BY SENATOR FERGUSON (R-MICH).

HE TESTIFIED BEFORE A SENATE JUDICIARY SUBCOMMITTEE IN BEHALF OF A BILL WHICH HE AND EIGHT OTHER SENATORS HAD INTRODUCED LAST JULY TO PERMIT IMMIGRATION QUOTAS TO BE SUSPENDED TEMPORARILY TO ADMIT AN UNSPECIFIED NUMBER OF THE DISPLACED PERSONS.

NO NUMBER IS FIXED BY THE BILL, FERGUSON SAID, BECAUSE IF THE APPLICANTS ARE QUALIFIED FOR ADMISSION, "IT IS FELT THAT ANY LIMITATION SERVES NO USEFUL PURPOSE." A PENDING HOUSE BILL PROPOSES ADMISSION OF 400,000.

THE SENATE BILL WOULD GIVE FIRST PRIORITY TO ORPHANS UNDER 21 YEARS OF AGE AND THEN TO WIDOWS, CHILDREN, PARENTS AND OTHER RELATIONS OF UNITED STATES CITIZENS OR OF PERSONS WHO SERVED IN THE NATION'S ARMED FORCES.

FERGUSON PLACED THE NUMBER OF DISPLACED PERSONS AT 850,000 AND SAID ABOUT 40 PER CENT OF THEM ARE EMPLOYABLE. HE PRESENTED A TABULATION OF THEIR SKILLS AS EVIDENCE OF "THEIR POTENTIAL CONTRIBUTION TO OUR PRODUCTIVE ECONOMY."

VX1020PES

DEC 1947

V(200)

WASHINGTON,DEC.19-(AP)-THE DEPARTMENT OF THE ARMY SAID TONIGHT THAT IT HAS RECENTLY RECEIVED CHARGES THAT AMERICAN PERSONNEL IN GERMANY HAVE ENGAGED IN BLACK MARKETING, CUSTOMS VIOLATIONS AND SIMILAR MISCONDUCT.

THE CHARGES, THE DEPARTMENT SAID IN RESPONSE TO A QUERY, ARE SIMILAR TO THOSE WHICH HAVE BEEN MADE IN THE PAST.

SECRETARY OF THE ARMY KENNETH E.ROYALL, THE DEPARTMENT SAID,

DEC 1947 30.24- 14367

ADVISED THE AMERICAN MILITARY GOVERNOR, GEN.LUCIUS D.CLAY, OF THE ALLEGATIONS.

GEN.CLAY INDICATED, THE ARMY SAID, THAT A FULL INVESTIGATION WILL BE MADE.

THE SERVICES OF A SPECIAL REPRESENTATIVE NOW IN GERMANY WERE MADE AVAILABLE TO CLAY FOR THE INVESTIGATION.

THIS REPRESENTATIVE APPARENTLY WAS JUDGE E.EARLE RIVES, OF GREENSBORO,N.C., NOW IN GERMANY. AS A LIEUTENANT COLONEL, JUDGE ADVOCATE GENERAL'S DEPARTMENT, JUDGE RIVES IS A MEMBER OF THE RESERVES.

HIS ORIGINAL MISSION WAS TO EXAMINE THE PROGRESS AND PRESENT STATUS OF THE DE-NAZIFICATION PROGRAM AND WAR CRIMINAL PROCEEDINGS.

HIS SCHEDULE HAD CALLED FOR HIS RETURN BY CHRISTMAS. THE ARMY HAD NO INFORMATION TONIGHT AS TO JUST WHEN HE MIGHT GET BACK.

MD1249AES

AP SPECIAL WASHINGTON SERVICE

WASHINGTON,DEC.19-(AP)-AN IMMEDIATE SCREENING BY THE FBI OF ALL THE AMERICAN MILITARY GOVERNMENT PERSONNEL IN GERMANY WAS PROPOSED TODAY BY REP.DONDERO (R-MICH).

"THE ENTIRE SETUP SHOULD BE INVESTIGATED FROM THE STANDPOINT OF THE LOYALTY OF CERTAIN INDIVIDUALS WHO HAVE WORMED THEIR WAY IN," HE TOLD THE HOUSE. "THOSE OF DOUBTFUL LOYALTY SHOULD BE DROPPED IMMEDIATELY."

MD1001PES

AP SPECIAL WASHINGTON SERVICE

WASHINGTON,DEC.19-(AP)-GOVERNMENT OFFICIALS SAID TODAY THAT HARRY WOODRING, FORMER SECRETARY OF WAR, WILL SURVEY ECONOMIC CONDITIONS IN WESTERN EUROPE EARLY IN JANUARY.

WOODRING WILL MAKE HIS INVESTIGATIONS AS A PRIVATE CITIZEN, INFORMANTS SAID.

THEY REPORTED THAT WOODRING, AN EX-GOVERNOR OF KANSAS, WILL VISIT BRITAIN, FRANCE, SWEDEN, DENMARK AND THE ANGLO-AMERICAN ZONE OF GERMANY AS WELL AS OTHER COUNTRIES NOT UNDER RUSSIAN DOMINATION.

THERE WAS NO INDICATION HOW LONG WOODRING WILL REMAIN IN EUROPE.

MD951PES

WASHINGTON,DEC 19-(AP)-REP.HOFFMAN (R-MICH) ANNOUNCED TODAY THAT THE HOUSE EXPENDITURES COMMITTEE WHICH HE HEADS MAY INVESTIGATE REPORTS THAT NAVY OFFICERS WHO OPPOSED UNIFICATION OF THE ARMED FORCES HAVE "BEEN PUNISHED."

HOFFMAN MADE PUBLIC PARTS OF A LETTER TO SECRETARY OF THE NAVY SULLIVAN AND SECRETARY OF DEFENSE FORRESTAL ASKING THEM WHETHER IT WOULD BE CONVENIENT TO APPEAR BEFORE THE COMMITTEZ WITHIN THE NEXT FEW WEEKS.

HE TOOK THE ACTION, HOFFMAN TOLD NEWSMEN, AFTER HEARING REPORTS THAT AIR FORCE OPPOSITION HAS BLOCKED THE APPOINTMENT OFTHE NAVY'S CHOICE FOR VICE CHIEF OF NAVAL OPERATIONS.

(THE WASHINGTON POST TODAY SAID IT HAD BEEN TOLD BY OFFICIALS THAT AIR FORCE OPPOSITION BLOCKED THE APPOINTMENT OF VICE ADMIRAL ARTHUR W.RADFORD TO THE JOB. IT SAID AIR FORCE OFFICERS CITED RADFORD'S OPPOSITION TO UNIFICATION.)

"AT THE TIME THE COMMITTEE WAS GIVING CONSIDERATION TO THE UNIFICATION BILL," HOFFMAN CONTINUED, "IT WAS CHARGED THAT MEN IN THE SERVICE OPPOSED TO THE BILL WERE PREVENTED FROM TESTIFYING THROUGH FEAR OF BEING THEREAFTER, BECAUSE OF THEIR TESTIMONY, DENIED AN OPPORTUNITY FOR ADVANCEMENT.

"MY RECOLLECTION IS THAT EVERY WITNESS APPEARING IN SUPPORT OF THE BILL WHO WAS QUESTIONED AS TO THIS PHASE OF THE MATTER WAS VEHEMENT IN HIS INSISTENCE THAT THERE WAS NO FOUNDATION FOR SUCH CHARGE.

"APPARENTLY, SUBSEQUENT EVENTS HAVE INDICATED THAT WITNESSES WERE PREVENTED FROM TESTIFYING; THAT OFFICERS WHO EXERCISED THE RIGHT OF FREE SPEECH ARE NOW BEING PUNISHED FOR AVAILING THEMSELVES OF THAT RIGHT."

GG951PES NM

PHILADELPHIA, DEC.19-(AP)-"THE UNITED STATES WILL NEVER GET PEACE BY APPEASEMENT AND IT IS UP TO THE PUBLIC TO PUT AN END" TO SUCH ATTEMPTS, SAYS MAJ.GEN. WILLIAM J.DONOVAN, WARTIME HEAD OF THE U.S. OFFICE OF STRATEGIC SERVICES.

DONOVAN TOLD MEMBERS OF THE OVERBROOK LECTURE CLUB LAST NIGHT "THE PUBLIC MUST PRESSURE THE GOVERNMENT INTO REVEALING THE NAMES OF THE CLIQUES IN WASHINGTON OKAYING SHIPMENTS OF MATERIALS TO RUSSIA"--MATERIALS WHICH HE DECLARED "COULD BE USED BY OUR FRIENDS ABROAD."

DONOVAN ADDED THAT WHILE "RUSSIA IS WAGING A COLD WAR AGAINST US" THAT COUNTRY IS "NOT READY NOW FOR A REAL WAR."

WJ418AESNM

NEW YORK, DEC. 19-(AP)-EUROPE'S "LEFT WING REVOLUTIONARIES," GOV. THOMAS E. DEWEY SAYS, "ARE JUST LYING BACK, WAITING FOR THE NEXT CHANCE" TO SEIZE CONTROL OF ITALY AND FRANCE.

SPEAKING YESTERDAY AT "RECHRISTENING" CEREMONIES FOR THE SECOND FOOD CARGO SHIP BEARING FREEDOM TRAIN GIFTS TO ITALY, THE NEW YORK GOVERNOR PRAISED THE EFFORTS OF ITALY TOWARD RECONSTRUCTION BUT DECLARED THAT AS "THEY STRUGGLE TO REBUILD A SOCIETY AND A FREE GOVERNMENT FROM THE RUINS OF WAR, THEY ARE UNDER A CONSTANT ATTACK BY FORCES OPERATED ON STRINGS MANIPULATED BY MOSCOW."

THE SHIP, THE 10,400 TON S.S. HOSIER STATE OF THE STATE MARINE LINE, WAS SCHEDULED TO SAIL TODAY WITH A CARGO OF 5,000,000 (MILLION) POUNDS OF FOOD STAPLES, BOUND FOR GENOA.

AFTER DEWEY'S SPEECH, MRS. ALBERTO TARCHIANI, WIFE OF THE ITALIAN AMBASSADOR TO THE UNITED STATES, TEMPORARILY RENAMED THE VESSEL "S.S. FRIENDSHIP CARGO."

"WE HAVE SEEN HOW THE COMMUNISTS IN ITALY AS WELL AS IN FRANCE STAGED A DESPERATE EFFORT TO UPSET AND SEIZE CONTROL OF THE GOVERNMENTS OF THOSE COUNTRIES," DEWEY SAID.

"FORTUNATELY, THOSE ATTEMPTS WERE DEFEATED, BUT THE STRUGGLE IS NOT OVER. THE LEFT-WING REVOLUTIONARIES ARE JUST LYING BACK, WAITING FOR THE NEXT CHANCE. BUT THEY CAN BE, THEY WILL BE DEFEATED."

WJ552AES

CHICAGO, DEC. 19-(AP)-A FORMER ARMY PRIVATE'S CONVICTION ON A CHARGE OF RAPING AN ENGLISH GIRL WAS UPHELD TODAY BY THE U.S. CIRCUIT COURT OF APPEALS. DEC 1947

KENNETH M. WAITE, 29, MOUND CITY, ILL., HAD APPEALED HIS AUGUST,

1943, CONVICTION BY AN ARMY COURT MARTIAL IN AINTREE, LANCASHIRE, ENGLAND, ON A CHARGE OF RAPING MISS ANNE PARRY, THEN 23.

WAITE, NOW SERVING A 10-YEAR TERM IN FEDERAL PRISON AT TERRE HAUTE, IND., ASSERTED IN HIS HABEAS CORPUS PETITION THAT HE WAS CONVICTED PARTLY "TO APPEASE" THE BRITISH, AND THAT HE WAS NOT GIVEN A FAIR TRIAL.

WAITE'S PETITION WAS DENIED BY THE FEDERAL DISTRICT COURT AT TERRE HAUTE AND THE PRISONER APPEALED TO THE APPEALS COURT.

THE APPEALS COURT, AFFIRMING THE LOWER COURT'S DECISION, DECLARED:

"WE FIND NO IRREGULARITY AND AGREE WITH THE FINDING OF THE DISTRICT COURT THAT THE COURT MARTIAL WAS PROPERLY CONSTITUTED, AND ITS MEMBERS PROP[illegible]FIED."

DEC 1947

JC736PCS NM

30.24- 14369

Reds Stifle Opposition In Eastern Germany; Hostile Politicians Fired

Single Party To Dominate Russian Zone

BERLIN, Dec. 20 (AP). The Soviet military administration moved swiftly tonight to solidify its hold on Eastern Germany for whatever eventualities the failure of the Big Four Foreign Ministers' conference in London might bring.

The Russians fired the two leaders of the Christian Democratic Union (CDU) in the Soviet zone. These party leaders, Jakob Kaiser and Ernst Lemmer, were opponents of the Nazi regime and took part in the unsuccessful 1944 assassination plot against Adolf Hitler.

The Christian Democratic Union, called the Christian Social Union in the American zone, had been tolerated only as "opposition" window dressing in the Russian occupation area. The union is a middle-of-the-road party with strong church backing.

NIGHT

EDITOR REPLACED

The Russians also have informed the union that the license of Wilhelm Gries, chief editor of the party's Berlin newspaper Neue Zeit, had been withdrawn and a new editor was being installed.

The Russians had cut the permitted circulation of the paper to 50,000 yesterday as a sign of their displeasure. The circulation was restored today to its original figure of 100,000 in the Russian order.

Although Kaiser and Lemmer declined to say what they would do in the face of the Russian order, it was obvious that their party had lost its independence in the Soviet zone.

APPARENTLY DOOMED

Some observers said the Russians would seek to maintain the union with the help of a number of dissident factions but that the present organization obviously was doomed to dissolution.

This would leave the Communist-controlled Socialist Unity Party (SED) as the one political organization of significance in the zone. The only other political party permitted there is the Liberal Democratic, which is small and virtually without an independent voice.

Kaiser and Lemmer had held the confidence of other leaders of their party in the Soviet zone despite Russian efforts to unseat them.

INVOKE DISFAVOR

They came into disfavor when the Christian Democratic Union declined to take part formally in the recent Communist-controlled "People's Congress" in Berlin.

The "congress" was staged by the Socialist Unity Party during the Foreign Ministers' meeting in London to bolster Communist demands concerning Germany's political future. Kaiser and Lemmer took the position the "congress" was not representative of the German people, as claimed by its supporters. The "congress" named delegates to go to London to present views to the Foreign Ministers, but the British refused them entrance visas.

The Russians told the Christian Democratic Union they were recognizing Reinhold L. Lobedanz and Hugo Hickmann, two members of the party's central committee, as co-chairmen of the party "until further notice."

CITES FREEDOM PLEDGE

The Russian order followed a meeting of the party's central committee with Soviet authorities yesterday. Kaiser disclosed today that he had given the committee a statement of his position before the meeting. He said:

"I know that the occupation power can prevent me from exercising the duties of my office in its zone. On the other hand, political parties were granted the democratic right of free opinion and free speech in the Potsdam agreement as long as the security of the occupation powers is not affected.

"The decision of the union concerning the People's Congress lies within the frame of this right of free thought and free speech."

After yesterday's meeting, members of the central committee were ordered to divorce themselves from the leadership of the party in the Soviet zone "until the basis for mutual cooperation between the leadership and the Soviet military administration is re-established." The Soviet order followed today before any reply could be received from the zonal party organization.

CALLED 'AMERICAN AGENT'

Kaiser recently has been referred to in Soviet-sponsored newspapers as "the American agent in the Soviet zone." He has been chairman of the union since 1945. Lemmer was vice chairman.

After the failure of the bomb plot against Hitler in July, 1944, Kaiser escaped by hiding out in a cellar until Russian troops arrived 10 months later. Kaiser, 59, began his political career in 1900 as a union leader. He opposed Hitler's efforts to place unions under Government control and was arrested in 1938 on a charge of treason, but was released after seven months for lack of evidence. Lemmer, 49, was a deputy in the Reichstag from 1924 to 1933.

Berlin's Social Democratic press accused the Russians today of waging a "campaign of fear" designed to frighten the German people into believing the Western Allies would withdraw from Berlin.

Party Men Ousted In Russ Zone

Berlin, Dec. 20 (AP)—The American-licensed *Taggespiegel* said today that Jacob Kaiser and Ernst Lemmer, the two leaders of the Christian Democratic Union party in the Russian zone, had been forced out of their posts by the Soviet military administration.

Kaiser and Lemmer incurred Soviet disfavor by their refusal to bring their party into the recent Communist-controlled "People's Congress" in Berlin. The "Congress" was summoned during the four-power Foreign Ministers' meeting in London to bolster Communist demands concerning Germany's political future.

Paper Reduced Cut

The editor of the CDU's party newspaper *Neue Zeit* said he had been informed by the Russians of a 25 per cent cut in his paper ration because he had printed "propaganda against the aims" of the Soviet-sponsored Socialist Unity party.

German political informants said the believed the dismissals would mean [illegible] in the Soviet zone, since its members were steadfast in support of Kaiser and Lemmer.

Window Dressing

The CDU had been tolerated in the Soviet zone as "opposition" window dressing. Breakup of the party would leave the Communist-controlled Socialist Unity (SED) as the only political organization of significance in the zone.

The only other political party permitted there is the Liberal Democratic, which is small and practically without an independent voice. The Christian Democratic Union is called the Christian Social Union in the American zone.

Berlin Inquiry Begun on Army Black Market

Special Investigator Sees Gen Clay: 'Racketeering and Looting' Are Alleged

By The Associated Press

BERLIN, Dec. 20.—The American military government announced today the arrival here of a special investigator named by the Department of the Army to "assist in investigation of certain charges of black-market activity."

The announcement said the investigation would concern charges made by "a former employee of the military government and the European Command whose contract recently was terminated for the convenience of the government." It did not name the employee.

The investigator is E. Earle Rives, a county judge of Greensboro, N. C. He has been assigned for the investigation to General Lucius D. Clay, the American military governor. The two conferred today. Neither was available for comment.

NIGHT

It was reported unofficially that the charges name high-ranking officers and that the investigation would center in the American occupation zone rather than in Berlin, which is under four-power control.

The charges were believed to be similar to allegations of irregularity which have prompted many anti-black-market regulations during the last year, including an embargo on private importation of American cigarettes. Many attempts to smuggle cigarettes have been reported by postal authorities.

At Washington, Representative Arthur Winstead, Democrat, of Mississippi, disclosed today that he recently asked Secretary of the Army Kenneth C. Royall in a letter to investigate reports of "racketeering and looting activities" in the American zone. Representative Winstead included no specific allegations, but said he regarded his information as reliable and indicating a "terrible" situation.

Mr. Royall wrote in reply that "these may be reports which came to us some days ago and which are now under investigation in the theater."

"It has been brought to my attention," Representative Winstead wrote to the Secretary, "that a certain segment of our military government personnel in Germany is engaged in racketeering and looting activities, which, if reports I have received are true, and I have good reason to believe they are true, are a disgrace to the Army and the great nation it represents.

"Doubtless you have already had some complaints on this matter. I feel sure there are probably only a small number of persons responsible for this condition, and that the great body of the army of occupation are patriotic American soldiers who, too, would like to see this situation corrected."

In his reply Mr. Royall said: "As you know, similar reports have arisen in the past and in many instances are found to be without justification and in a few instances to be supported by the facts. I believe that the present reports will prove to be largely without basis, but I can assure you that I am making every effort to sift the data thoroughly."

Representative Winstead told Mr. Royall in a second letter that "if reports I have received are as reliable as I believe them to be the situation is terrible."

Royall's Prober Of Black Mart Joins Clay

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DAY

"High-Ups" May Be Named

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"Sifting Data Thorouhgly"

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Held Blow To Democracy

The Mississippian offered his assistance "as a member of the Armed Services Committee and as a representative in Congress in bringing to justice any military personnel, regardless of rank, or civilians who are found to have brought disgrace upon their great country. . . ."

"At a time when this Government has made such a great effort to establish good will and permanent peace," Winstead wrote, "none of us should permit this small group to tear down and destory the efforts made by the majority of the people. . . .

"I am sure you will agree that our task of selling the ideals of representative democracy to the world, as well as our program of military defense, will be greatly hampered if the situation continues."

NAZIS TO FACE TRIAL JAN. 6

21 Plead Innocent Before U.S. Military Tribunal

E. Shanbe

Nuernberg, Germany, Dec. 20 (AP). Twenty-one former German diplomats and officials pleaded innocent today when arraigned before a United States military tribunal on charges they committed crimes against peace and humanity.

The court fixed January 6 as the starting date for the trial. The defendants are accused in the indictment with a major share of the responsibility for World War II, with the murder of millions of Jews and other "politically unreliable" persons in eastern Europe, with enslavement and mistreatment of other millions of laborers and with plundering Nazi-occupied countries.

NIGHT

Baron Ernst von Weizsaecker, the chief defendant, formerly was Secretary of State in the German Foreign Office and was serving as German Ambassador to the Vatican at the end of the war.

Other Prominent Defendants

Other prominent defendants are:

Wilhelm Keppler, economic adviser to Adolf Hitler from 1932 on; Ernst Wilhelm Bohle, chief of the foreign organization of the Nazi party; Karl Ritter, former German Ambassador to Brazil and later used by Hitler for special ambassadorial assignments; Hans Heinrich Lammers, head of the Reichschancellery.

Also, Richard Darre, former minister of agriculture; Otto Dietrich, Hitler's personal press chief; Lutz Schwerin von Krosigk, former finance minister; Walter Schellenberg, close associate of Heinrich Himmler, who relayed the Himmler peace offer just before the German collapse, and Otto Meissner, Reichsminister without portfolio and head of the presidential chancellery. Meissner was ill and absent from the courtroom.

Plea By Krupp Rejected

Von Weizsaecker asked for the services of an American attorney, Warren E. Magee of Washington, D.C., in conducitng his defense. Pointing out that the prosecution and the tribunal were American and contending that the constitution and procedure of the court invoked both international and United States law, von Weizsaecker said it was essential for his "proper defense and fair trial" to be represented by both American and German counsel.

A similar plea by Alfried Krupp, chief defendant in the war crimes case against the Krupp armament works, was rejected by another American tribunal yesterday. Denial of the Krupp motion opened the way for a new test of the legality of the American war crimes tribunals in Nuernberg before the United States Federal District Court in Washington, D.C.

No immediate ruling on von Weizsaecker's motion was made by the tribunal. Members of the court are William C. Christianson of Red Wing, Minn.; Robert F. Maguire of Portland, Ore., and Leo W. Powers of Denison, Iowa.

U.S. Accuses 21 High Nazis Of War Crimes

E. Shanbe

Nuernberg, Germany, Dec. 20 (AP)—Twenty-one former German diplomats and high-ranking officials in the Nazi Government pleaded innocent today to charges that they committed crimes against peace and humanity.

DAY

The defendants, arraigned before an American military tribunal headed by Judge William C. Chrjstianson, of Red Wing, Minn., were accused of marshalling German financial, economic, political, psychological and propaganda support behind Adolf Hitler's efforts to wage aggressive war.

The chief defendant, Baron Ernst von Weizsaecker, former Secretary of State in the German Foreign Office and German Ambassador to the Vatican at the end of the war, asked for the services of an American attorney, Warren E. Magee, of Washington, D.C., in conducting his defense.

Represented May

Magee recently represented former Representative Andrew J. May, Kentucky Democrat, before the United States District Court in Washington. He is head of the firm of Magee, Beedy & McGovern in Washington.

Another American tribunal hearing the war-crimes case against the Krupp armaments works rejected yesterday a plea by the chief defendant, Alfred Krupp, that he be given the right to have an American attorney. The ruling opened the way for a challenge of the tribunal's legality.

Weizsaecker claimed, as did Krupp, that it was "essential" for his "proper defense and fair trial" to be represented by both American and German counsel because the tribunal and the prosecution were American and the constitution and procedure of the tribunal invoked both international and United States law.

Stresses Guarantee

The motion laid heavy stress on a United States constitutional guarantee that every accused has the right to counsel of his own choice.

The prosecution maintained in its answer to the Krupp appeal that the tribunal was an international court, and thus outside the scope of United States courts.

The tribunal, whose other members are Robert F. Maguire, of Portland, Ore., and Leo W. Powers, of Denison, Iowa, made no immediate ruling on the Weizsaecker motion.

Trial To Begin January 6

The trial, which may be the last of the big war-crimes cases prosecuted by United States officials here, was set down to begin January 6.

Among the more prominent defendants, in addition to Weizsaecker, are:

Wilhelm Keppler, Hitler's economic adviser from 1932 on.

Party Chief

Ernst Wilhelm Bohle, chief of the foreign organization of the Nazi party.

Karl Ritter, former German Ambassador to Brazil and later used by Hitler for special ambassadorial assignments.

Hans Heinrich Lammers, head of the Reichschancellery.

Farm Chief

Richard Darre, former Minister of Agriculture.

Otto Dietrich, Hitler's personal press chief.

Lutz Schwerin von Krosigk, former Finance Minister.

Walter Schellenberg, close associate of Heinrich Himmler, who relayed the Himmler peace offer just before the German collapse.

Mass Murder Charged

Otto Meissner, Reichsminister without portfolio, head of the presidential chancellery. He was ill and absent from the dock.

The indictment to which the defendants pleaded charges them not only with a major share of the responsibility for World War II but with the murder of millions of Jews and other "politically unreliable" persons in Eastern Europe, with enslavement and mistreatment of other millions of laborers and with plundering occupied countries.

Joint Truman-Attlee Bid To Stalin Urged

Eleven Prominent Britons Ask 'Last Attempt' To Reach Atomic Control Accord

London, Dec. 20 (AP)—Eleven prominent Britons tonight urged President Truman and Prime Minister Attlee to approach Prime Minister Stalin in "one last attempt" to persuade Russia to share in international control of atomic energy.

If that fails, the appeal said, "the freedom-loving powers closely associated with Britain and America should act in concert. They should develop such a predominance of defensive strength, including atomic strength that no power would dare to challenge them."

The statement from the eleven Britons said all attempts thus far at international control have been "frustrated by the intransigence of the Soviet Union," and added that "unless within the very near future strict international control of atomic energy is established we shall face a very desperate world situation."

Philosopher And Poet

The signers included Bertrand Russell, the famed philisopher; the Rev. W. R. Matthews, dean of St. Paul's Cathedral; T. S. Eliot, the poet, and Clement Davies, head of the parliamentary Liberal party.

The statement continued:

"It is the sad fact that after six years of war the Allies overthrew one form of totalitarianism only to see another form become even more powerful in Europe than fascism has been . . .

"If the peoples of America and Britain have to choose between being engulfed by communism and a new war, we believe they would choose war.

Might Lead To War

"We think it should be clearly indicated to the Soviet Union that a policy of wishing to have the fruits of war, without war itself, might eventually lead them into a war which they do not, in our opinion, desire."

Other signers were Lady Violet Bonham Carter, former president of the Liberal party; Lord Vansittart, former Foreign Office official; Lord Brabazon, Conservative, who was a member of the wartime coalition Government; Lord Quibell, Labor peer; and three Labor members of Commons—Raymond Blackburn, Tom O'Brien and the Rev. Gordon Lang.

EUROPE VIEWING MARSHALL PLAN IN VARIED LIGHTS

West Generally Approves but Moscow Press Hits at Imperialism.

F. Singleton

London, Dec. 20 (A. P.).—President Truman's presentation of the Marshall plan to Congress won general approval today in western Europe from all but the Communist press.

London, Dec. 20 (AP)—President Truman's presentation of the Marshall plan to Congress won general aproval today in western Europe from all but the Communist press.

The Moscow radio failed to mention the Presidential message, but unleashed another broadside against "American imperialism." In general the reaction was divided along the hardening lines of east-west ideological differences.

A British Foreign Office spokesman volunteered "a word of welcome" for Mr. Truman's presentation of the European recovery program and its conditions, terming the program "a tremendous event in the history of postwar Europe." He said the conditions "appear, for the most part, to be those agreed upon" at the Paris Conference.

DAY

Hailed In West Reich

In Germany, newspapers licensed by the western powers hailed the inclusion of western Germany in the plan as offering hope for recovery and peace. The Soviet-controlled press in Germany continued to attack the Marshall plan as a measure of "enslavement of western Europe by Wall Street."

The official newspaper of the Social Democratic party denounced such attacks. "We hope that the economic reconstruction of Germany will become the primary objective (of the Marshall plan)," the newspaper said. "If this comes true, we will have in a short time a much improved political atmosphere, not only in Europe but in the whole world."

Praised By Non-Reds

In vienna the Communist newspaper *Volkstimme* said Mr. Truman's outline proved "the colonial conditions" of the plan.

Most of the Italian non-Communist press praised the program. *Il Tempo*, a conservative independent newspaper, said it would enable Europe "to escape hunger and tyranny."

Britain's press gave the presentation general approval, but one point—the suggestion that European shipbuilding be reduced with the deficit made up in purchase of American vessels—raised some concern. Britain has stepped up ship construction well above 1938 levels.

Ponder Ship Proposal

The *Daily Mirror*, independent Left Wing, headlined the proposal as a surprise and said if effected it would "prejulice" the Marshall plan in European eyes.

Sir Arthur M. Sutherland, shipping magnate, said surplus American ships were not necessarily suitable to British shipowners. He said British ships were built to meet special requirements while those in the United States were generally mass produced.

Lord Beaverbrook's *Daily Express*, however, devoted nearly a column to explaining why it thought "Britain should not become a beneficiary of the (Marshall) plan."

3 Reasons Listed

The *Express* listed as reasons:

1. Because with determination and industry this country can win through unaided.

2. Because the British are at their best when brought hard up against reality.

3. Because the plan is presented to Congress as an anti-Communist device.

Other papers drew much editorial encouragement from the President's request for $17,000,000,000 to finance a program of economic aid for sixteen western European countries.

Grand Design, Says Times

The independent *Times* called it a "grand design to breathe life into the Old World by help from the New," and said "it will be the greatest exercise in self-help as well as mutual aid which the world has yet seen."

The liberal *News Chronicle* said: "One of the most important and ambitious schemes in history is really beginning to take shape."

The conservative *Graphic* praised the nonpartisan attitude of the Republicans and Democrats toward aid to Europe, which it called "an example of responsible democratic leadership at its best." (AP)

DEC 1947

EUROPE MONEY SLUMP TRACED

Most Countries Fight Losing Battle On Prices

T. Williams

London, Dec. 20 (AP)—The drachma of Greece, the zloty of Poland, the franc, the pound and nearly all the other currencies of Europe are only shadows of their former selves today in the markets where it takes a lot more money than most people have to buy the things they need.

Inflationary pressures are pinching almost all of the Continent. In most countries the governments have been fighting a losing battle against rising prices despite efforts at strict control.

With a few notable exceptions, Associated Press correspondents throughout Europe report the same situation: Too much money chasing too few goods—and mostly it is a case of too few goods, a legacy of years of wealth-destroying war.

Currency Revaluation

Russia, using a device already employed in Hungary, France, Italy, Austria and other countries, last week resorted to the drastic measure of revaluing the currency by requiring all rubles in cash to be turned in at a rate of ten old rubles for one of the new.

The result was a drastic curtailment of money in circulation. There was a somewhat less drastic curtailment of bank accounts and outstanding bonds. By simultaneously decreeing a broad reduction in prices and by maintaining the same wages as before in her controlled economy, Russia effected an almost immediate drop in food and many other prices.

Drastic wrenchings of postwar economies also were reported from other countries in the Soviet sphere.

Heavy New Czech Taxes

Romania decreed heavy taxation at the start of October to reduce the amount of money in circulation and bring it nearer the realistic level of industrial and agricultural production. Living costs, though still high, plunged sharply.

Czechoslovakia, plauged by extreme food and clothing shortages, levied heavy new taxes to halt inflationary buying and help pay the mounting national debt—up nearly $2,500,000 in a year.

There have been no wage increases in Czechoslovakia since the Winter of 1945-46 and rationed foods provide a diet of less than 1,400 calories—lower than Germany and Austria. Costs in the black market—the only other food source—are four to five times above the official prices.

Italian Budget Czar

Italy's budget czar, Luigi Einaudi, was probably the only Government financier in all Europe worrying about deflation.

The professorial 74-year-old governor of the Bank of Italy has been so successful in combating inflation that many industrialists, investors and speculators have had their fingers burned.

Einaudi's rigid credit restrictions to curb speculation and his devaluation of the lire to the black-market rate, have at least temporarily brought swollen security prices down, stabilized the currency and lowered the cost of living.

Austrian Prices Cut

Deflation rather than inflation also was the order of the day in occupied Austria, where the Government's currency bill wiped out all pre-1945 bank accounts and devalued the schilling 66 per cent. The effect was almost instantaneous price reductions of about 30 per cent. But most costs still were out of reach of the average wage earner.

In Britain even the cost of postage went up last week because, the Government explained, operating expenses have increased. Despite Government controls, coal, transportation and milk prices were edging higher. Purchase taxes, already steep, have been increased sharply to drain off some excess purchasing power.

Index Out Of Date

The British Board of Trade's admittedly outdated cost of living index, described by the Government as not even closely representing the facts, reported living costs fairly steady at 32 per cent above those of 1938.

Stabilizing factor, in so far as prices for essential food and clothing are concerned, is the Government subsidy, costing nearly £400,000,000 ($1,600,000,000) annually.

Unofficially, the inflationary gap in Britain—the difference between supplies and demand—is variously estimated from £100,000,000 ($400,000,000) to £600,000,000 ($2,400,000,000).

Success In Germany

Defeated Germany was experiencing the greatest success in holding the line in legal markets (black market prices are 59 to 100 times higher).

A United States Military Government survey showed prices in the legal market increased less in Germany than anywhere in the world since the end of the war, a result of the little altered price control ordered by Hitler in 1936.

France, which devalued the franc after the war, was paying more and more for all types of goods. Government statistics showed wholesale prices up 33 per cent in the last six months and 45 per cent for the year.

Sharp Jumps In Belgium

Food prices jumped sharply in Belgium when the Government withdrew subsides in early August. Wage levels were three times above those of 1938.

Greece's extremely sensitive economy was subject to inflationary pressures from all directions. Ferment in the Balkans contributed to the national nervousness.

Greek retail prices are 260 times those of prewar, and wages are 150 times higher. Food costs have increased 25 to 35 per cent in the last five months. But this trend may be reversed when more supplies provided by the United States assistance program are distributed.

Finland, which with Greece and Hungary experienced runaway inflation comparable to the collapse following World War I, reported living costs nearly 700 per cent above those of 1939.

THE MOSCOW RADIO RETORTS ON INFLATION

LONDON, Sunday, Dec. 21 (AP)—The Moscow radio today accused the United States Government's Voice of America of "lying" about Russia's economic situation.

A staff member of the Soviet monitor here, which recorded the English-language broadcast, said he believed it was the Moscow radio's first mention of the Voice of America, which since last February has broadcast from New York daily in Russian.

The Moscow transmitter for weeks had ignored Voice of America reports on Soviet economic developments, but early today it complained that the United States program had given a "reaction" on Russia's December 16 revaluation of the ruble that "did not coincide with the reaction of the Soviet people.

The Moscow radio said that Voice of America broadcasters "were surprised that inflation, which, the Soviet theory holds, is exclusively connected with the capitalist system, had, as the American radio station put it, proved possible in the Soviet Union."

"If there is anything surprising in this," Moscow went on, "it is indeed the ignorance of these American economists, who still do not know what inflation is, although the present state of American economics should have helped them to find out what it means."

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Britain Raises Bacon Ration to 2 Oz. Weekly

First Good Food News in Months Is Followed by Beer-Cut Announcement

LONDON, Dec. 20. (AP)—Food Minister John Strachey announced today that Great Britain's meager bacon ration—cut to one ounce weekly per person last Oct. 9—would be restored to its old level of two ounces weekly next month from increased supplies expected under the new Anglo-Canadian trade agreement.

It was the first good news regarding food in recent months, which have been marked by reductions in meat, sugar and candy allowances and institution of potato rationing.

Strachey said the two-ounce ration would begin Jan. 11, but his cautiously worded statement said the restoration would be effective "for the time being." Under the Anglo-Canadian trade agreement, Britain expects increased shipments of bacon and other food.

Britain's beer must take another cut with the year's end—this time in quantity rather than quality. The Brewers' Association announced that reduction of sugar allocations would mean a curtailment in beer output equivalent to nine pints out of every 144-pint barrel. On previous reductions of ingredients, the industry turned out weaker beer to help maintain supplies.

DEC 1947

Anglican Bishop's Plea For Germans

Chelmsford, England, Dec. 20 (AP)—The Anglican Bishop of Chelmsford, Dr. Henry Wilson, said today he has received "furious letters, full of abuse and ridicule" because of his suggestion that Britons send part of their Christmas rations to people in Germany.

"My correspondents told me to remember what they (the Germans) would have done to me if they could," Dr. Wilson wrote in the Chelmsford *Diocesan Chronicle*.

"A nation in despair is the greatest enemy to world peace," he added. "And that is what Germany is now—underfed, ill-clothed, homeless. That is the state of millions of Germans in the towns. We should help them onto their feet instead of dismantling their factories and seizing their machinery unless we prefer to make certain of another war in twenty or ten years' time."

NIGHT

FRIENDSHIP TRAIN CARGO IN PARIS

Paris, Dec. 20 (A. P.).—Paris welcomed the first shipment of Friendship Train food today.

A thirty-six-car freight train drawn by an American-made locomotive steamed in from Le Havre and was met by Transport Minister Christian Pineau, United States Ambassador Jefferson Caffery and other French and American officials.

The train was the first of ten which will distribute food, donated by the American people, to eight regions of France. It will leave Paris tomorrow night for Marseilles, dropping off cars at Dijon, Lyons, Valence and Avignon.

French Army trucks loaded with food from the train will parade through the city to the city hall for a ceremony this afternoon.

Two Flying Americans Are Married In Paris

Paris, Dec 20 (AP)—A Christmas Eve meeting at an airfield in Liberia a year ago resulted in a Paris wedding today of two flying Americans, Bernadine Williams, airways hostess, and Lieut. Jesse R. Crookshanks, former Flying Tiger pilot.

The two were married by a chaplain at the American Church in Paris, and drove off to a reception at Crookshanks's villa at Athis-Mons, near Orly Airfield, where the bridegroom is stationed. They will live in Paris.

Miss Williams, 26, of Jackson Heights, New York, and Crookshanks, 29, son of William O. Crookshanks, of Jonesboro, Tenn., first met at a Christmas Eve party at Roberts Field, Liberia, for an hour. They met again for four hours in Brussels last May, then in November at Shannon.

Man Burns Studio To Bar U. S. Films

VERSAILLES, France, Dec. 20 (AP).—Police today arrested Pierre Burel, 20, and quoted him as saying he had set fire to the Metro-Goldwyn-Mayer Studio at St. Cloud "to take revenge on the Americans for flooding France with American films," holding that they deprived Frenchmen of work.

Police booked Burel on charges of arson. They said he was recently discharged from a job at the studio. Damage to the building was listed as "considerable."

New Riots Flare in Italy As Food Workers Strike

ROME, Dec. 20 (AP).—Fifteen persons were injured in new outbreaks of fighting in Italy's labor disorders today and Italians faced the possibility of a spaghetti-less Christmas as the result of a Communist-led national strike of 300,000 food workers.

Gunfire flared in Naples and rioting again broke out in Sicily.

The trouble in Naples began when workmen argued in front of an employment office that a Christmas unemployment dole was too small. Both workers and police drew firearms, and five wounded were added to the long roll of casualties in the last six weeks of disturbances. Twenty-three have been killed in that period.

8 Wounded in Sicily

Among the wounded today were three police and two demonstrators.

Eight persons were wounded, including a Carabinieri marshal, a trooper, a policeman and five civilians, at Contrada Tramonta, near Mazzarino, Sicily.

Workers at Contrada Tramonta erected roadblocks, cut communication lines and then stoned police and Carabinieri who were approaching. Rome newspaper dispatches said. The rioters then sacked the local headquarters of the Uomo Qualunque (Common Man) Party.

The workers had gone on a general strike for a pay bonus and other concessions.

The granting of similar demands ended a general strike at Trapani in Sicily, after two strikers had been injured, but a general walkout continued at Gela, Sicily, and another general walkout was threatened at Messina, Sicily.

The Nationwide strike of food handlers began this morning, but there was hope it would be settled before Monday. Labor Minister Amintore Fanfani countinued a long series of conferences with the workers and food industry representatives in an effort to end a deadlock in negotiations for a new labor contract.

The strike, involving workers in flour mills and food processing factories, including candy, pastry, spaghetti and preserve plants, and distilleries, appeared loaded with more trouble for Premier Alcide de Gasperi's leftist-harried government than any of the assaults it has yet confronted in the public squares of the cities and the constituent assembly.

Bread Supply Threatened

Bakers, milk distributors and ice plants were exempted from the strike call, but the strike of flour millers threatened the bread as well as the spaghetti supply.

Sepral, the government's food control organization, announced that distribution of the monthly spaghetti ration would begin Monday in Rome province, but warned it could not guarantee how long supplies would last. Consequently, many Romans were preparing to rush the spaghetti ration lines.

Food Workers Go On Strike In Italy

Rome, Dec. 20 (AP)—A nation-wide strike began in Italy's food industries and violence broke out over a Christmas dole among Naples' jobless today.

Indications were that the food strike, latest Leftist-led labor crisis to harass the newly reshuffled Christian Democratic Government of Premier Alcide de Gasperi, might be settled by nightfall.

But in Naples five persons, three of them policemen, were wounded in rioting and gunfire touched off when an unemployment office handed out Christmas doles to a crowd of jobless. Some of the crowd argued they were being given less than they were promised. Both police and persons in the crowd used firearms. Reserves were called to restore order.

Second Stoppage

Italy's food strike—its second stoppage in a nation-wide industry in two months—was called after long efforts to reach a solution failed.

A union spokesman said "notable progress" in getting employers and workers together was made at night-long conferences in the office of Labor Minister Amintore Fanfari. An estimated 300,000 employés of food factories, stores and shops were affected by the strike. Bakeries, milk distributors and ice plants were exempted.

Vote Of Confidence

The Government, harried for the past five weeks by Leftist-led disorders which have claimed 23 lives, won a substantial vote of confidence last night from the Constituent Assembly.

In Rome last night, a bomb was thrown at Communist party regional headquarters at the same time a confidence roll call was being taken in the Constituent Assembly. No injuries resulted from the blast.

The vote—303 for the Government and 118 against—followed a week of assaults on the Assembly floor by Communists and extreme Left-wing Socialists after de Gasperi broadened his Government by the inclusion of Republicans and Moderate Socialists.

Transit Dispute

The National Federation of Bus, Tram and Internal Marine Navigation Workers announced that four months of negotiations for a new contract had broken down and that the association would resume national agitation based on the "principle of noncollaboration."

A general strike was called in Enna, Sicily, where workers' demands included a call for the complete reopening of mines and the allotment of 2,000,000,000 lire for popular housing and public works. A general strike was also called at Trapani, Sicily.

At Messina, Sicily, the local Chamber of Labor, as a sign of solidarity, said it would call a general strike if workers' demands were not granted by Monday.

Italy To Give Up 97 Ships Under Peace Treaty

Rome, Dec. 20 (AP)—The newspaper *Giornale Della Sera* published tonight a list of 54 Italian warships and 43 auxiliaries which it said Allied naval experts had decided should be distributed among France, Russia, Yugoslavia and Greece under the peace treaty.

The account said the biggest unit, the 28,000-ton battleship Giulio Cesare, would go to Russia and that Italy's most modern battleships, Italia and Vittorio Vento, had been assigned respectively to the United States and Great Britain. The British and Americans announced their intentions of permitting Italy to scrap the two vessels, the article said.

The newspaper reported this distribution of the other vessels:

To Russia—The 9,000-ton cruiser Duca d'Aosta; destroyers Fuciliere, Mitragliere and Riboty; torpedo boats Animoso and Ardimentoso; two submarines; seven motor torpedo boats; two corvettes; three motor barges; the square-rigged training ship Colombo; the naval transport Montecuccoli; five tankers and seven tugs.

The Cruisers

To France—The 4,000-ton cruisers Scipione, Regelo and Pompeo; destroyers Oriani, Artigliere, Legionario and Velite; torpedo boat Fortunale; two submarines; seven motor torpedo boats; two corvettes; three motor barges; one picket boat; the naval transport Panigaglia; six tankers; twelve tugs.

To Yugoslavia — The torpedo boats Ariete, Indomito and Aliseo; two motor barges; three mine sweepers.

To Greece—The 9,000-ton cruiser Eugenio di Savoia.

Gift To Netherlands

The newspaper added that England, while renouncing its quota, had asked Italy to turn over three motor torpedo boats to be presented to the Netherlands in recognition of its contribution to Allied naval warfare in the Mediterranean.

"A modest gift," *Il Giornale* commented, "but, as one sees, at the expense of someone else, which is a curious conception of courtesy and gratitude."

5 Hurt in Riot Over Yuletide Aims

Naples, Dec. 20 (A. P.).—Five persons were wounded here today in a riot set off by an argument among workers as to whether to accept a Christmas unemployment dole which some held insufficient. The casualties were two demonstrators and three policemen. Some gunfire sounded during the fighting.

Italy Hopes For Russ Pact

Rome, Dec. 20 (AP)—A Foreign Ministry spokesman said today Italy hopes to send a delegation to Moscow to start negotiations for a trade treaty soon. He said the Italian Government is "very interested" in an agreement with Russia.

POPE ASSAILS CLASS HATRED

Pontiff Issues Encyclical To Catholic Hierarchy

Vatican City, Dec. 20 (AP)—Pope Pius XII called for prayers for world order today and assailed, in words as biting as any he ever has used, those agitators who stir up man against man "in seditions and tumults."

In a 1,100-word encyclical titled "Optatissima Pax" (most desired peace), the Pontiff declared class hatred threatened "to undermine and overturn the very foundations" of nations.

Misery Aggravated

Although he named no names, it was clear to all who read his Christmastide message to the hierarchy of the Catholic Church that he had in mind the Communists of France and Italy when he said:

"There are not lacking those who aggravate and batten on the misery of the proletarian classes and hence obstruct those noble forces with which, with strict order and with justice, the rebuilding of fortunes now dispersed is attempted."

The encyclical was the latest of the many appeals for peace the Pope has addressed to the world since his coronation March 12, 1939—six months before the outbreak of the greatest war in history.

Even as the encyclical was made public, new Leftist-led labor trouble harassed the Italian Government. A nation-wide strike in the food industries began and riots broke out in Naples and in Sicily.

Active Concord Urged

It is necessary, Pope Pius said, "that all understand that it is not with discord, with tumults, with fraternal massacres that lost goods may be regained or those in danger saved, but only with active concord, with mutual understanding, with peaceful labor." He added:

"Those who, a premeditated plan, thoughtlessly raise up the crowd, exciting it to tumult, to sedition and to offenses against the liberty of others, without a doubt do not operate to mitigate the poverty of the people, but rather increase it and provoke extreme ruin. . . ."

Common Welfare Paramount

The Pope said that in times of such great social crisis "it is necessary for each—and especially he who has greater goods—to put the common welfare before private advantages and profits."

"And before everything else," he said, "it is absolutely urgent to pacify spirits, bring them back to fraternal consensus, to mutual understanding, to reciprocal co-operation, so as to be able to carry out those doctrines and those directive norms that are consentient with Christian teachings and the conditions of the present hour."

In nations left wasted after the disastrous war, the Pontiff said, "the social classes mutually agitated by a bitter hatred, with innumerable tumults and turbulences, threaten, as all see, to undermine and overturn the very foundations of states."

Urged To Pray For Peace

The encyclical implored all peoples "to extinguish the secret hatreds . . . happily renew concord." The Pontiff urged Catholics the world over to pray for peace on their holy holiday and to "seek of the Divine Infant that He may deign to extinguish and remove the torches that are threateningly shaken in hatred, in seditions and tumults."

It was announced that the Pontiff's Christmas Eve address in reply to the customary greetings of the College of Cardinals would be broadcast to the world by the Vatican radio station December 24.

Class Hatred Hit By Papal Yule Message

Pope On Air Dec. 24

Vatican City, Dec. 20 (AP)—The Christmas Eve address of Pope Pius XII in response to traditional greetings from the College of Cardinals will be broadcast to the world by the Vatican radio, it was announced today. An English-language translation for the United States will be transmitted at 11 A.M. (E.S.T.), December 24, on 18.84 meters.

Vatican City, Dec. 20 (AP)—Pope Pius XII declared in a Christmas message to the world today that class hatred threatens "to undermine and overthrow the very foundations" of nations.

Tht Pontiff's 1,100-word encyclical, entitled "*Optatissima Pax*" (Most Desired Peace), urged Catholics the world over to pray for peace on their holy holiday.

Mankind, the Pope said, views with sadness and trepidation the failure to secure the peace after the vicissitudes of war.

He added:

"In not a few nations—already devastated by the world conflict and the ruins and miseries that have been the dolorous consequence of it—the social classes, reciprocally agitated by bitter hatred, threaten with innumerable tumults and turbulences to undermine and overthrow the very foundation of the states."

The encyclical was issued in Italian, under the Latin title.

"Those who, with a premeditated plan, thoughtlessly raise up the crowd, exciting it to tumult, to sedition and to offenses against the liberty of others, without a doubt do not operate to mitigate the poverty of the people, but rather increase it and provoke extreme ruin, aggravating hatred and interrupting the course of the works of urban life."

Pleads For Common Welfare

Even as the encyclical was made public, new Leftist-led labor trouble harassed the Italian Government. A nation-wide strike in the food industries began and a riot broke out in Naples over a Christmas unemployment dole.

"It is incumbent upon all to understand," the Pope wrote, "that the social crisis is so great at present and so dangerous for the future as to make it necessary for each, and especially he who has greater goods, to put the common welfare before private advantages and profits."

The encyclical called for "pacification of spirits" and "mutual understanding" to make way for "those doctrines and directive norms which are consentient with Christian teachings and the conditions of the present hour."

Cites Nations' Exhaustion

The Pope implored all peoples "to extinguish the secret hatreds and happily renew concord."

"Immense are the evils to which it is necessary to apply a remedy; a remedy that cannot be longer delayed," the encyclical said.

"On the one hand, the economy of many nations.—such exhaustion that often it is not to provide work for those who are constrained against their will to unfruitful idleness.

"On the other hand, there are not lacking those who aggravate and batten on the misery of the poletarian classes. . . .

"But it is necessary finally that all understand that it is not with discord and tumult that lost goods may be regained or those in danger saved, but only with peaceful labor."

The pontiff added that "if finally hatred has brought deadly fruit, it is necessary to re-light that Christian love which alone can stamp out so many mortal plagues, overcome so many frightful perils, sweeten so much bitter suffering."

VATICAN CITY, Dec. 20 (AP).—The complete text of the papal encyclical, "Optatissima Pax" (Most Desired Peace), published today as translated unofficially from Italian:

Venerable Brothers: Salutations and Apostolic blessing:

The most desired peace, which ought to be "the tranquillity of order" and "tranquil liberty," after the cruel vicissitudes of a long war, still wavers uncertain, as all note with sadness and trepidation, and keeps the spirits of people as though suspended in anguished anxiety: while on the other hand in not a few nations—already devastated by the world conflict and by the ruins and miseries that have been the dolorous consequence of it—the social classes mutually agitated by a bitter hatred, with innumerable tumults and turbulences, threaten, as all see, to undermine and overturn the very foundations of states.

Before this distressing and miserable spectacle our soul is oppressed by great bitterness and it seems to us that the paternal and universal mandate, which we have received from God, moves us to exhort all peoples to the will to extinguish the secret hatreds and happily renew concord, but also to admonish all those that are our sons in Christ that they raise to heaven more fervent prayers, that they truly know that, which is done without Divine propitiation comes out wanting and sterile, according to the sentence of the Psalmist: "Except the Lord build the house, they labor in vain that build it."

Immense are the evils to which it is necessary to apply a remedy, a remedy that cannot be longer delayed. For on the one hand the economy in many nations, because of the very great military expenditures and the enormous destruction of war, is in a state of such uncertainty and exhaustion that often it is not in condition to resolve the problems that arise and to provide for those opportune works with which work could be given to such as are, unfortunately, constrained against their will to unfruitful idleness: on the other hand, unfortunately, there are not lacking those who aggravate and batten on the misery of the proletarian classes, and hence obstruct those noble forces with which, with strict order and with justice, the rebuilding of fortunes now dispersed is attempted.

For Peaceful Labor

But it is necessary, finally, that all understand that it is not with discord, with tumults, with fraternal massacres that lost goods may be regained or those in danger saved, but only with active concord, with mutual understanding, with peaceful labor.

Those who, with a premeditated plan, thoughtlessly raise up the crowd, exciting it to tumult, to sedition and to offenses against the liberty of others, without a doubt do not operate to mitigate the poverty of the people, but rather increase it and provoke extreme ruin, aggravating hatred and interrupting the course of the works of urban life. In fact, the struggle of parties, "was and will be for many peoples a clamity greater than war itself, than famine and than epidemics." (A quotation from the Latin historian Livy).

But at the same time it is incumbent upon all to understand that the social crisis is so great at the present and so dangerous for the future as to make it necessary for each—and especially he who has greater goods—to put the common welfare before private advantages and profits.

And before everything else it is absolutely urgent to pacify spirits, bring them back to fraternal consensus, to mutual understanding, to reciprocal cooperation, so as to be able to carry out those doctrines and those directive norms that are consentient with Christian teachings and the conditions of the present hour.

Let all remember that the aggregation of evils which we have had to suffer in past years has fallen upon humanity principally because the divine religion of Jesus Christ, which is the upholder of mutual charity among citizens, peoples and races, does not regulate, as it should, private life, domestic and public. If hence by reason of this estrangement from Christ the straight road has been lost, it is necessary to return to him in public life as in private; if error has dimmed minds, it is necessary to return to that truth which, being divinely revealed, indicates the way that leads to Heaven; if finally hatred has brought deadly fruit, it is necessary to [illegible] that Christian love which alone can stamp out so many mortal plagues, overcome so many frightful perils, sweeten so much bitter suffering.

And thus, because the Christmas solemnities are now approaching, which lead us to the contemplation of the child Jesus which wails in the manger, of angelic choruses imploring peace for men, we hold it opportune to make an ardent exhortation to all Christians, and especially to those who are in the flower of their age, to visit in goodly numbers the holy crib and there pour out their prayers, to seek of the Divine Infant that He may deign to extinguish and remove the torches that are threateningly shaken in hatred, in seditions and tumults.

May he illuminate with His celestial light the minds of those who often, rather than moved by stubborn malice, are deceived by errors cloaked by the specious appearance of true love. May He repress and placate hatred in spirits, compose discord, revive and reinvigorate Christian charity.

To those who enjoy a great fortune, may He teach a prudent generosity toward the poor: Then to those who suffer by reason of their poor and uncomfortable condition, may He, with His example and with His aid, bring spiritual consolations and turn them to desire above all those celestial goods, which are the best goods and which will never become less.

In the present anguish, we put much confidence in the prayers of the innocent babies that the Divine Redeemer particularly receives and loves best. Let them then raise to Him, during the Christmas solemnity, their candid voices, imploring peace, concord, mutual charity. And let to their fervent prayers be united moreover those exercises of Christian piety and those generous offerings with which divine justice, offended by so much guile, may be placated and at the same time indigent may receive—in the measure that the means of each permit—opportune aid.

We have complete faith, venerable brothers, that with assiduous obligation and diligence, of which we have so many proofs, you will see that our paternal exhortations are put into practice and obtain happy fruit, and that all, but especially the children, will respond with willing passion to these our invitations that you will make yours.

Comforted by this tender hope, both to you singly and universally and to the flocks confided to your care, we impart with effusion of spirit the apostolic benediction, attested by our paternal benevolence and augur of celestial grace.

Given at Rome, near St. Peter, the 18th day of December, of the year 1947, ninth of our pontificate.

PIUS P. M. XII.

AUSTRIAN IN SOVIET HANDS

Paul Katscher, Missing 15 Days, Is in Russian Zone Camp

VIENNA, Dec. 20 (AP)—A Government informant said today that Paul Katscher, Austrian Government official who has been missing for fifteen days, was being held by the Russians at a camp in Wiener Neustadt, in the Soviet zone.

Herr Katscher was picked up by three men in Soviet uniform shortly after leaving his office on Dec. 5 and was taken originally to a building in the Soviet district of Vienna, the informant said.

Herr Katscher had been expected to attend the international conference at Geneva, Switzerland, on Inter-European exchange of railway cars which opened on Dec. 12.

Meanwhile, Austrian police said they had no clues to the disappearance on Dec. 13 of Wilfried Guenther, 20-year-old employe of the Government censorship office.

Russian Kills American Soldier

Vienna, Dec. 20 (A. P.).—The United States Army announced today that a Russian journalist has been arrested in the death of an American soldier whose jaw was broken in a fight. The Russian, Stefan Ingrin, now is in custody of Soviet officials.

The soldier died in the Army hospital three hours after the fight in Vienna's international zone yesterday. His name was wtihheld pending notification of next of kin. A second American soldier who attempted to intervene was bitten by the Russian, officials said.

Guerillas Kidnap 50 In Greek Village

ATHENS, Dec. 20 (AP).—Dispatches from Salonika said today that guerillas attacked the village of Drymos, 12 miles to the north, stripping the inhabitants of their clothing and abducting about 50 persons.

There were no police or soldiers in the village of 2000 but one civilian managed to wrest a gun from a guerilla and killed him. He then hastened to the neighboring town of Langadas where he notified military authorities.

Yugoslavs Accuse 5 Monks of Spying

BELGRADE, Yugoslavia, Dec. 20 (AP).—An official announcement said today five Franciscan monks would be tried on charges of organizing an espionage service, operating an illicit radio, and furnishing secret information on military, political and economic matters to "a foreign power."

The indictment said the monks had sent hundreds of coded message to the foreign power, which it did not name. The defendants are Semplichano Albino Gomiero, Bernardo Ernesto Beninka, Ambrogia Roberto Belato, Atanazio Kristijano Kozianchic, and Serafino Giuseppe Matielo.

ISTANBUL JAM CRITICIZED

Brewster Expresses Concern Over Loading of U. S. Supplies

ISTANBUL, Turkey, Dec. 20 (AP)—Senator Owen Brewster, Republican of Maine, said today that he was concerned about the congestion of Istanbul port facilities, where American military supplies are to be unloaded.

Mr. Brewster is studying economic conditions in Europe and the Middle East. He stopped here for a survey in connection with the $100,000,000 Turkey is getting in aid from the United States.

After a visit to harbor installations he said 90 per cent of government facilities available for warehousing were not being used while vast quantities of materials were piled on open docks.

"Arrival of United States supplies," he said, "will mean practical stagnation of other traffic in the port and will result in tremendous retardation of Turkey's recovery program. I believe American officials who permit American shipments to add to this congestion cannot justify their action."

Yugoslavs Try 5 Franciscans In 'Spy' Charge

Belgrade, Yugoslavia, Dec. 20 (AP)—An official announcement said today five Franciscan monks went on trial in Pola yesterday on charges of organizing an espionage service, operating an illicit radio, and furnishing secret information on military, political and economic matters to "a foreign power."

The monks are from the towns of Pola, Rovigno and Pisino, all in the Istrian peninsula area, formerly Italian but recently incorporated into Yugoslavia. They were arrested shortly after the Yugoslavs took over Pola.

The indictment said the monks had sent hundreds of coded messages to the foreign power, which it did not name. The public prosecutor in the case will be Andrija Grbac, who prosecuted Msgr. Jakok Ukmar at Pisino in September.

Ukmar, a Vatican prelate, was wounded August 24 at Lanischie, Yugoslavia, and a priest was killed by a crowd in a riot at a confirmation ceremony. Ukmar was sentenced to a month at forced labor on a charge of "instigating" the disorder, but was reported freed because he already had been held for more than a month.

The five Franciscan defendants are Semplichano Albino Gomiero Bernardo Ernesto Beninka, Ambrogia Roberto Belato, Atanazi Kristijano Kozianchic, and Serafino Giuseppe Matielo.

Russians Generally Hopeful For International Situation

By EDDY GILMORE

Moscow, Dec. 20 (AP)—Despite the gloom in the west over the stalemate ending of the Foreign Ministers Council session in London and over prospects of future collaboration between the Soviet Union and her wartime big power allies, no such pessimistic sentiments are being advanced in Russia.

No commentators have come forward with anything like the suggestion that the international situation is hopeless, or that there may be no more meetings of the Council of Foreign Ministers. On the contrary, some commentators have intimated that the Council of Foreign Ministers' sessions are not at an end.

But in the judgment of this correspondent, there is very little chance that the U.S.S.R. will abandon the position it took at London.

Position Of Soviet Press

Despite the fact that Soviet commentators and officials have not come out with gloomy predictions, there seems to be no chance of a rapprochement unless one or the other of the protagonists gives in, and there is no discernible indication at this stage of the Russians changing their position.

The Soviet press has taken this position concerning the Foreign Ministers' breakdown in London:

The United States caused the breakdown; the United States and other western powers went to London with decisions already made; the United States counted on a breakdown; Britain and France followed the American lead, and joined with the United States in trying to place the blame on Soviet Russia.

Reiteration Of Molotov Stand

Further, the Soviet contends that (1) it wants a free and independent Germany; (2) the United States does not because that would interfere in the plans of "Wall Street" and "imperialists and militarists"; (3) Russia, because of her role in the war, is entitled to full reparations from Germany; (4) the Big Three at Potsdam and Yalta once agreed to that demand, and (5) the United States and British newspapers reported the London conference as if "on orders."

In general, this is a reiteration of the position taken by Vyacheslav M. Molotov, Foreign Minister, in his speeches before the Council.

The Russians express the conviction that the United States some time ago decided that if she were resolute or "tough" enough Russia would be forced to compromise.

But the Russians call this an effort to dictate to or "bully" them, and they give no indication of giving in.

Some Trouble In Economy

The ending of rationing and the issuance of the new ruble, from all available indications, has had an enormous effect on the people. This correspondent soon will spend his seventh Christmas in the Soviet Union and remembers no single peace-time event which created such jubilation.

It apparently has created great respect for state planning among the Russian people, who are well aware that rationing still is in effect in many countries and that in others prices are rising or have risen steeply.

It seems obvious that if wages remain the same, if prices go down and rationing goes off—as is the case so far—that the Russian people will think their system is working pretty well.

Nevertheless, the end of rationing and the revaluation of the ruble disclosed some chinks in the Soviet-controlled economy.

Reports On Derationing Effect

The decree said the revaluation was being carried out to combat war-induced inflation and "speculative elements" (profiteers)—two features familiar to capitalist economy.

Moscow newspapers reported the arrest of a number of persons who bought galoshes and rubber boots—reduced to a bargain price by new Government orders—and sold or attempted to sell them in speculative deals on the free or black market. Most of those arrested, the papers reported, were "not working."

Komsomol Pravda, reporting on how derationing affected one Leningrad family of textile workers—a mother, two daughters and a son—said that previously the total monthly wage of 3,400 rubles for all four workers was "sufficient practically only for food." Now, the paper said, quoting one of the daughters, "every month more than one half our wages remains for clothing, shoes and other expenditures."

Reds Warn People On Foreign Spies

Moscow, Dec. 20 (AP)—Russian citizens were told today that a foreign intelligence campaign against the Soviet Union has persisted for 30 years and they should be on constant guard against "imperialist" spies.

The occasion was the thirtieth anniversary of the founding by Lenin of the Russian Security Agencies (secret police). Both *Pravda*, the Communist party newspaper, and *Izvestia*, the official Government organ, carried anniversary editorials.

"The methods and tactics of subversive activities, foreign agents, spies, diversionists and terrorists sent into the Soviet Union have changed, but the substance and character of their work have remained unchanged," said *Pravda*.

"An imperialist program is aimed at undermining the military and economic might of the U.S.S.R., restoring a capitalistic regime on Soviet soil and bending the Soviet people to the yoke of colonial exploitation."

In cautioning the Russians to guard against slips of the tongue, *Pravda* said:

"There are cases in which some Soviet citizens, enjoying boasts about knowing much, chat and give away some piece of information which should not be made public, and agents of foreign states make skillful use of it."

No German Leaks

The Communist newspaper reviewed the work of the security organizations against the Mensheviki (the former Moderate Russian Social Democrats) and others, then added: "The organs of state security, reorganized into the OGPU and later the NKVD, guided by the wise instructions of Prime Minister Stalin, intensified the work against sabotage."

Pravda said that, up to the time of the German invasion in 1941, German intelligence found no support inside Russia, and that during the war there was "not a single instance of any serious German intelligence work succeeding here."

Then turning to the present, the newspaper said:

"The intelligence of imperialist states . . . seeks among the Soviet people morally unstable and corrupt individuals to involve in their network of espionage.

"They carry on work abroad designed to corrupt former prisoners of war returning home, and among Soviet citizens taken away by the Germans."

Passing of the "State Secrets Decrees" last summer closed the way for "possible penetration of Soviet offices, industrial enterprises and scientific institutes" by foreign agents, *Pravda* added.

Izvestia commented that "American imperialism has launched an aggressive, outspoken, expansionist course" and said that "therefore, increased efforts and growth in the activity of imperialist intelligence in regard to the Soviet Union and the countries of democracy are understandable." (The Russians refer to countries of the Soviet bloc as democracies.)

RUSSIANS PLEDGE GAIN OF 20% IN OIL OUTPUT

MOSCOW, Dec. 20 (AP)—Communist newspaper Pravda printed today a letter from Russia's oil workers pledging to fulfill within four years the production quota set in the five-year plan.

The letter said great progress was made in 1947 compared with 1946, giving these percentages of increase:

Oil industry of the south and west, including the Baku Grozny and Maikop areas—crude oil 16 per cent higher in the first eleven months of this year than last year. Light oil products, 25 per cent higher.

Eastern oil industry—crude oil, 20 per cent higher; gasoline, 37 per cent higher. The eastern area said its crude oil output for 1947 would be 2½ times more than in 1940 and its gasoline output 2.7 more.

In 1940 the Russians produced 31,100,000 metric tons of crude oil. Production declined in the war years because of German destruction of installations and transport difficulties.

The goal of the new five-year plan was to reattain pre-war oil production in 1949 and to exceed it in 1950 with a total of 35,400,000 tons. Today's letters indicated that the Soviet Union was likely to produce 35,000,000 tons in 1949 and perhaps 40,000,000 tons in 1950. Premier Stalin's long-term goal calls for annual production of 60,000,000 tons.

During the war the Soviet Union developed its eastern fields. While the Caucasus remains an important source of oil, the eastern areas are held likely to surpass eventually the Caucasus in production.

KAGANOVICH BACK AS NO 2 IN SOVIET

Moscow, Dec. 20 (AP)—Lazarus M. Kaganovich, a member of the *Politburo*, and V. A. Malishev, Minister of Transport and Machine Building, were named vice chairmen in the Soviet Union's Council of Ministers today.

Such a chairmanship is equivalent to Deputy Prime Minister.

Kaganovich had resigned a vice chairmanship of the Council last March to become secretary of the Communist party in the Ukraine. He is one of Russia's top economists. The announcement did not say whether he would continue as party secretary, in which capacity he headed reconstruction work in the Ukraine, with headquarters in Kiev.

Was Tank Commissar

Malishev, a former colonel general of the engineers, was a commissar of the tank industry before becoming Minister of Transport and Machine Building in March, 1946. He is a member of the central committee of the Communist party.

"Tough" Assignments

Kaganovich has held most of the tough jobs on Russia's economic front, including management of Moscow subway construction in the early 1930's, reorganization of Soviet railways in 1935 and management of Russian rail transport during the war.

He has served as head of the ministries for railways, heavy industry, fuel, transportation, oil and construction materials. He was regarded at one time as one of the strongest men in Russia, next to Prime Minister Stalin, to whom he bears considerable resemblance.

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U.S. Aides Ask Shift In Moscow Inflation

MOSCOW, Dec. 20 (AP).—Some employes of the United States Embassy were reported today to be asking for transfers from Moscow because of increased cost of living resulting from a new diplomatic exchange rate.

When Russia revalued the ruble this week the rate was changed from 12 to the dollar to eight to the dollar.

Butter costs $3.86 a pound; white bread in French loaves, 48 cents a pound; veal and beef more than $2 a pound. Vodka runs $15 a quart.

Embassy employes say their other expenses have gone up drastically, too, because they still must pay the same number of rubles for rents, wages for servants, theater tickets and other items. The Embassy turned in its rubles on the same basis as Soviet institutions and citizens and received one new ruble for 10 old ones.

Jewish Community Surrounded

Meanwhile a cryptic cable reading "rush help" was received in Jerusalem from a Jewish community surrounded by Arabs in the British colony of Aden on the Arabian coast. It was feared that the Jews there again were involved in communal strife. Earlier this month 75 Jews and 34 Arabs were killed in Aden. (insert)

Scattered fighting throughout Palestine brought death to seven Arabs, two Jews and one British soldier. The Associated Press death count since the United Nations General Assembly voted for partition of the Holy Land on November 29 reached 290 in Palestine alone and 411 throughout the Middle East.

Four Arabs, a Jew and a British soldier were killed in the bloody Jaffa-Tel Aviv border area. Operations there included a counter-attack by Hagana fighters against Arab positions. Arabs claimed two of their dead were laborers shot down while en route to work, but

formed Jews made a three-hour rifle attack on the Arab village of Qazaza in the central coastal plain near Rehovot.

Resistance Calls Continue

Elsewhere in the Middle East Arab leaders continued to call for resistance to the plan to divide Palestine into separate Arab and Jewish states.

In Baghdad Premier Saleh Bey Jabr told the Iraqi Parliament that Arab League decisions reached at a recent conference in Cairo would "defeat Zionism."

Syrian President Shukri Bey Kowatly made a similar speech in Damascus, calling on Syrians to support "our brother Arabs."

Syrian volunteers in the Arab "People's Army for Palestine" paraded at Aleppo, northern Syria, where Arab demonstrators two weeks ago burned two synagogues.

In Jerusalem Kemal Effendi Arikat, head of the Arab youth organization, Munazimet es Shabab, addressed 200 group leaders on the progress of arming and recruiting volunteers to fight the Jews.

Guerrilla Havoc Seen As Arabs U.N. Answer

J. Boyd

Cairo, Dec. 20 (AP)—Behind the generalities of a communiqué issued by the Arab states Wednesday there is reported to be a definite plan to aid the volunteer guerrilla bands upon which many Arabs rely to create such havoc in Palestine that the United Nations will back down on partition.

The communiqué, issued after a long conference of the heads of the seven Arab states, promised a fight to the finish against the decision to split Palestine into separate Jewish and Arab states.

The volunteer bands will be composed mainly of Palestinian Arabs, but under the reported plan the Arab governments would permit volunteers to join them freely and would help them get arms and equipment. Between attacks on Jewish settlements and convoys, the guerrillas may be expected to pull back into neighboring Syria for rest and refitting.

Will Guard Borders

Regular Arab armies, by plan, will continue to guard the borders of the Holy Land pending the British withdrawal of troops. About that time, another meeting of Arab representatives from Egypt, Saudi Arabia, Syria, Lebanon, Iraq, Trans-Jordan and Yemen probably will be held to decide what to do next.

The major question now concerning the Arabs is the strength of the guerrilla bands and the ability of Hagana, the Jewish defense force, to protect Jewish settlements and food supplies against Arab attacks. Hagana is far better organized and equipped than were the Zionists during the Arab revolt of 1936-39.

More Bloodshed Foreseen

It seems certain that there will be much more bloodshed on each side. Future casualties cannot be forecast accurately by anyone. Thousands fell in the 1936-39 revolt.

The great number of Jewish settlements in the Holy Land tends to disperse Hagana, in defiance of the military rule to concentrate forces. Many of the settlements, however, are well fortified and strategically placed for defense.

Jewish settlements in the proposed new Arab state present a special problem. Should the regular Arab armies move into this area after the British pull out, Hagana, or the Jewish state, may be forced to decide whether to send Jewish forces in to protect the settlements.

Predict New U.N. Action

If a great deal of blood is shed in the coming months, the problem undoubtedly will come before the United Nations again. There is widespread speculation among Arabs as to whether American volunteers would be permitted to police Palestine.

There also is speculation about the creation of an international force to do the policing, but Arabs believe the United States would balk at having Russian troops too close to Middle Eastern oil fields.

In Beirut last night, a high Lebanese official said he "feared Soviet Russia might offer arms to the Arabs for use in Palestine and the Arabs would accept them." He said there had been no Soviet overtures "yet."

Arabs Welcome Help

"Some Western nations have already banned shipments to the Middle East," he commented. "But the Arabs will take arms wherever they can get them, even from Russia, although they hate communism."

The Saudi Arabian legation here issued a Foreign Office communiqué emphasizing King Ibn Saud's intention to prevent any attacks on Americans in his kingdom such as might result from Arab ire at United States support for the partition plan.

The communiqué said the King extended to Russia the friendship accorded to all United Nations members, but added:

"As to communism, this is something different. There is no trace of it in his country, and he will not admit it and will resist its penetration into his country."

Jerusalem Force Seen U.N. Nucleus

New York, Dec. 20 (AP)—Benjamin Cohen, Assistant Secretary-General of the United Nations, said today any forces used to carry out the United Nations trusteeship over Jerusalem may provide "the nucleus of an international police force."

Cohen addressed a Town Hall meeting under auspices of the Speakers' Research Committee for the United Nations at which Maj. Gen. Hubert R. Harmon, United States representative on the United Nations military staff committee, also spoke.

Harmon said Russia's disagreement with other Big Five representatives during the committee's work had served to "retard the establishment, restrict the employment and render less effective the United Nations security forces."

Cohen, referring to Big Five disagreement on international forces, said that "the forces the United Nations has at its disposal are not only those of the Big Five."

ARABS BATTLING JEWISH CONVOY IN PALESTINE; BRITISH RUSHING HELP

Running Gun Fight Swirls Close To Borders Of Syria, Lebanon

J. Goodwin

Jerusalem, Dec. 20 (AP)—Enraged Arab fighters fought a running gun battle with a Jewish convoy tonight. The engagement swirled close to the borders of Syria and Lebanon where Arab guerrilla forces have been reported massing to fight Zionists.

The Trans-Jordan frontier force, an Arab military organization doing police duty in Palestine under British supervision, and British troops rushed to the aid of [illegible] convoy.

NIGHT

Two Jewish settlement police were wounded and one Jew was reported missing in the fighting which took place near the border village of Khisas, where Jewish fighters killed ten Arabs, including five children, yesterday.

Jewish sources said the men were killed while firing toward Jewish buildings.

"Mistaken" For Legionnaire

Hagana said the British soldier was killed in the Hatikvah quarter of Tel Aviv when a defense post fired on an army armored car which was "mistaken" for an Arab Legion vehicle.

An Arab and Jew lost their lives in Jerusalem. The Jew, a policeman, was killed at the Allenby military barracks, a British installation. An Arab boy looter also was killed in Jerusalem when a booby trap in a recently evacuated Jewish store exploded. Several of the boy's companions were injured.

Rabbis in Tel Aviv relayed the appeal of the Jews in Aden to Prime Minister Attlee in London.

One Arab was killed and at least two others were wounded when uni-

formed Jews made a three-hour rifle attack on the Arab village of Qazaza in the central coastal plain near Rehovot.

Jews Raid Village, Kill One Arab

Jerusalem, Dec. 20 (AP)—A "large party of Jews" in battle dress and khaki attacked the village of Qazaza, near Rehovot, early today, an official announcement said, killing one Arab and wounding another in a three-hour assault.

An Arab boy was killed and several others injured when they set off a booby trap in a recently evacuated Jewish shop in Jerusalem's commercial center. British engineers, fearing other traps, destroyed the building with dynamite.

DAY

British Soldier Killed

Another flurry broke out in the no man's land between Arab Jaffa and all-Jewish Tel Aviv.

A British soldier was killed when Jewish Hagana fighters fired on a cruising armored car.

One Hagana source said the men mistook it for a vehicle of the Arab Legion.

Two Arabs were killed by snipers in the same area.

The death toll of communal rioting in Palestine since the November 29 decision to partition the Holy Land reached 285, with the Middle East toll at 406.

China Imposes Stricter Curbs On Its Economy

Chiang Tells Bankers That Fiscal Reform Is More Vital Than War on Reds

NANKING, Dec. 20 (AP).—The Chinese government announced today a new, intensified economic control program for 1948, including provision for the imprisonment for one year at hard labor of any one convicted of illegal transactions in gold or foreign exchange.

The program to give the government more control over the nation's economy provides that travelers may carry a maximum of $100 (American) when entering or leaving China.

DEC 1947

Persons making payment in gold or foreign exchange which should have been made in Chinese currency will be subject to the same imprisonment as those violating the transactions regulation.

The new policy includes more stringent control over private banks, continued suspension of loans to non-productive enterprises and war upon the money black markets.

The program, approved by the nation's highest economic and financial authorities, was adopted, The Associated Press was told, after Generalissimo Chiang Kai-shek addressed a joint meeting of the directors of the four national banks. He is chairman of the joint board.

The Generalissimo, informants said, urged the bankers to employ political means to fight the evils attendant to the existence of large amounts of idle capital in the larger cities. The bankers and the National Economic Council control China's economy.

Chiang was quoted as declaring that once the government won full control of the nation's economic life, China would have no trouble working for rehabilitation by herself. Solution of the economic crisis is more important than a military campaign to suppress the Communists, he added.

The President repeatedly stressed, informants said, the necessity of absorbing idle capital and turning it into productive channels. He ordered the joint office of the national banks to set a goal for loans next year beyond which the "government should not make financial commitments under any circumstances."

The meeting was attended by Premier Chang Chun, deputy chairman of the joint board of the national banks; Minister of Finance O. K. Yui, Vice-Minister Pu Hsu, Chang Chia-gnau, governor of the central bank, and high officials of the other national banks.

Critic of Chiang Ordered Back Home From U.S.

NANKING, Dec. 20 (AP).—The government announced tonight that the Christian general, Feng Yu-hsiang, who has been actively criticizing Generalissimo Chiang Kai-shek's administration since he went to the United States more than a year ago, had been ordered home.

The government announcement said: "Feng Yu-hsiang was sent to the United States last year to study water conservation. He has completed his mission and now is asked by his government to return home before the end of the year. This order is being conveyed to him by the Chinese Embassy in Washington."

Informants said the government, which for months had sought to disregard the general's public attacks on the civil strife in China and the national administration, decided to order him home after a formal presentation of his case to the Kuomintang (government party) executive committee.

They said the general probably would refuse to return to China, where he once was closely associated with Chiang, and might take refuge elsewhere if asked to leave the United States.

BAO DAI SEES BACKERS

Former Emperor of Annam Delays His Departure for France

HONG KONG, Dec. 20 (AP)—The Provisional Presidents of Cochin China and Annam flew in today to confer with Bao Dai, former Emperor of Annam, before he leaves for Paris to talk independence for Indo-China.

Bao Dai, who is being asked to return as ruler of Indo-China, postponed his departure, scheduled for today, until Wednesday to go over the situation with his backers.

New Killings Cited In French Indo-China

Saigon, French Indo-China, Dec. 20 (AP)—French sources said fourteen members of a French military convoy were killed today in an attack by Viet-Namese Nationalists in the hinterland. Viet-Namese casualties were reported "considerable."

Tension mounted meanwhile in Saigon, where some sources expressed fear of a winter offensive by the Viet-Minh, armed force of the Viet-Nam Republic which has been fighting for independence from France.

Patrols in Saigon stopped and searched all vehicles and pedestrians during the night after the infiltration of Nationalist elements. Authorities imposed an 11 P.M. curfew and set fire to a zone along the riverfront "to prevent the Viet-Minh from machinegunning the harbor and docks."

Dutch Premier Appeals For Indies Co-operation

BATAVIA, Dec. 20 (AP).—Dutch Premier Louis J. M. Beel, in an unscheduled broadcast from Medan, Sumatra, last night, made a "last appeal" to the Indonesian Republic's central government to co-operate with Holland in the "intended political reconstruction" of Indonesia.

"The Netherlands wishes the republic to take her rightful place in the new political construction," said Mr. Beel. "But I must strongly urge for a speedy decision. . . . It would be highly deplorable if this appeal, this last appeal, should not be understood."

The Acting Governor General, Hubertus J. Van Mook, hailed the decision, made at a Dutch-sponsored conference at Bandoeng, to create an autonomous territory in west Java, as a major step toward formation of a Federal government for Indonesia.

Speaking at the closing luncheon session of the conference, Mr. Van Mook declared there would be no withdrawal whatsoever of the Dutch Military "from territory where it is executing its police task," so long as the republican government "refuses to make an end to its terror."

Burma Papers Boycott Government Releases

Rangoon, Burma, Dec. 20 (AP)—Burmese publishers and newsmen have agreed to boycott all Government news releases and ignore news of Government activities until the Burma Press Emergency Act is repealed, it was announced today.

Under the act the Government is entitled to suspend any newspaper whose policy is considered prejudicial to Government interests. The Government announced yesterday its intention of enforcing the act for a period of six months after Burma achieves independence from Britain in January.

Indians On Offensive Against Kashmir Raiders

New Delhi, India, Dec. 20 (AP)—Indian troops in Kashmir state have started an offensive aginst tribal raiders from Pakistan holding Manawar, a Defense Ministry communiqué said tonight. The area is west of the state's winter capital city of Jammu and within a mile of the Pakistan border.

A military headquarters spokesman said Indian reconnaissance planes had reported "intensive activity of the raiders in the Manawar area, including movement of armored cars." He added that the offensive was only "to nip trouble in the bud."

Sheik Mohammed Abdullah, head of Kashmir's interim administration, arrived today with his wife for consultations with India's Prime Minister, Jawaharlal Nehru.

Japs Distributed War Goods At V-J Time, Probe Finds

Tokyo, Dec. 20 (AP)—Japanese militarists at the time of surrender sought to "buy the people's good will and to prepare for an eventual comeback" by distributing hundreds of billions of yen worth of war stocks throughout the country, Representative Kanju Kato, chairman of a Diet investigating committee, declared today.

Kato's committee climaxed a four months' investigation with a sharp condemnation of the whole affair, announced earlier today by House Speaker Komakichi Matsuoka.

In an interview Kato added that much of the political activity under the occupation had been financed by fortunes made through disposal of one-time military stocks. Those who profited by the deals, he said, include many high-ranking members of the Government and Parliament, as well as local governmental officials, former army and navy officers and leaders of the Zaibatsu and other business concerns.

New Probe Set

Kato's committee was dissolved after it made its report. A new committee will be appointed with augmented powers to continue the inquiry. The Justice Department has allocated 70,000,000 yen ($1,400,000) to finance the probe.

The Diet investigation has led to a complexity of difficulties in assessing the value of the military stocks, which were scattered through the nation, but the total is well over 100,000,000,000 yen ($2,000,000,000), Kato said. He added that that figure was estimated as the minimum value of goods the military turned over to the Government for distribution to the people.

Probably an even larger quantity disappeared before the Allies could trace it, Kato estimated. He said large quantities of the goods received by the Government for the Allies had shown up in the black markets.

Wanted Good Will

"At the time of surrender the militarists were afraid the public would turn against them," Kato explained, "so the Suzuki (Premier Baron Kantaro Suzuki) Cabinet on August 14, 1945, decided to distribute military supplies almost free throughout the country. The militarists wanted public good will and thought in their feudal way they might be able to make a comeback when the occupation was over."

An indication of the extent of the distribution, Kato added, could be obtained from the fact that "the militarists boasted before defeat they had enough material for three years' resistance with 4,000,000 armed men in the homeland. Actually, they probably had more than they admitted.

In violating the surrender stipulations, the Government turned over vast stores of steel, rubber, petroleum, machinery and other supplies to favored industries and local governments, the committee said.

It was even possible, the committee asserted, that some arms were included—there was some doubt about that. All arms and munitions also were to be surrendered to the conquerors.

Still Being Hoarded

The committee estimated at least 5,000,000,000 yen of the stocks were still being hoarded by public officials and business men.

Presumably the bulk of the stocks have been sold in the black market, although this was not brought out in the report.

These hoarders of materials critically short in Japan believe "the occupation forces will withdraw before long," the committee added.

The committee complained it had run into heavy opposition from "bribed" public officials both in the national and local governments in trying to unearth these caches of supplies.

The committee asserted that Japanese with Government connections even made huge profits off the Allied occupation forces.

The occupation forces recovered great stores of food and clothing and turned them over to the Japanese Government to give to the needy.

Occupation Profit

The committee said that, nevertheless, some of these supplies changed hands in private deals by profiteers.

General MacArthur's headquarters early in the occupation made it clear the Japanese could not "release and dispose of war materials" but the committee said little was done to try to recover disbursed goods.

Navy Flies Sailor To Yule Reunion

Yokohama, Dec. 20 (A. P.).—The Christmas reunion of the family of Senior Master Boatswain James A. Hinton of Torrington, Conn., won't be held in Tsingtao, China, as planned—but it will be held.

Mrs. Betty Hinton and her 4-month-old daughter, Jane, were traveling to her husband's station at Tsingtao when the baby became sick and was sent to a Yokohama hospital with a bronchial ailment.

Occupation authorities ordered the boatswain, who is stationed on the auxiliary hospital ship Repose at Tsingtao to be flown to Yokohama for Christmas with his wife and daughter.

Canada Extends Food Requisition Powers

Ottawa, Dec. 20 (A. P.).—Parliament last night extended until next March 31 the Government's powers to requisition farm products to meet food contracts with Great Britain, and then recessed for Christmas to meet again on January 26.

GI's Arrested In Japan

Tokyo, Dec. 20 (AP)—Two American soldier who the provost marshal's office said collected "large sums" in armed robberies in the past few weeks were arrested today. They were identified as Pfc. Billy Gene Houseman, 36, of Jonesboro, Ill., and Pfc. Edward M. Minor, 18, of Tacoma, Wash.

DEC 2 1947

Cut in Stopgap Aid Hits Vital Relief Shipments

WASHINGTON, Dec. 20 (AP).—The $75,000,000 cut which Congress made in winter aid funds for France, Italy and Austria may force a sharp reduction in shipments of raw materials to those countries, officials said today, but every effort will be made to maintain a heavy flow of food.

The Administration authorities who made that prediction started a round of conferences looking to a general revision of plans. The goal is to keep the non-Communist governments of those three nations on even keels until Congress acts on the $17,000,000,000, four-year Marshall Plan recovery program which President Truman submitted yesterday.

NIGHT

APPROPRIATION CUT

In opening the special session Nov. 17, Mr. Truman had sought $597,000,000 to meet the "irreducible minimum" needs of France, Italy and Austria until next March 31. The appropriation sent to the White House yesterday carried $540,000,000, and $18,000,000 of that was earmarked for China.

Among other results which responsible officials saw as likely to follow the revision of interim aid plans were:

1. A plea to Congress at the forthcoming regular session to restore the $75,000,000 of the restudy of estimates indicates the continuity of shipments to the three countries may be interrupted before the end of March.

2. Difficulties from the stipulation written into the appropriation that the margin of wheat in this country must reach 150,000,000 bushels by next July 1. The working margin for the current crop year has run less than 100,000,000 bushels.

12 DAYS BEFORE DEADLINE

The appropriation measure went to the White House only 12 days before the end-of-the-year deadline beyond which Congress was told neither France nor Italy would have funds to finance further dollar purchases of food. Shipments nevertheless are expected to continue without interruption.

France was alloted $328,000,000, Italy $211,000,000 and Austria $58,000,000 in the original stopgap estimates submitted by Mr. Truman last month. Congress authorized the entire amount but trimmed the appropriation. With the exception of China, the lawmakers left it up to relief officials to divide the rest among the three European countries. The break-down remains to be determined.

ESSENTIALS LISTED

About half the original $597,000,000 total was for cereals and other foodstuffs. Nearly a third was earmarked for coal, and the remainder for petroleum, fertilizer and other agricultural supplies, medical supplies and cotton. It is this remainder that is expected to feel the immediate effects of the reduction, as food and coal are given top priority.

The funds voted China will be added to $27,000,000 already allotted that country under last summer's $322,000,000 general emergency relief appropriation.

Although Congress has quit until the regular session which begins Jan. 6, the Marshall Plan aroused discussion among legislators still in Washington.

Senator Robert A. Taft (R., O.), chairman of the Republican Policy Committee, said he believed the administrator for the giant program should have control over exports which otherwise would be regulated by the Commerce Department.

He also said he believed the picture of Europe's economic needs has been "overdrawn."

"People who have been there don't see the complete collapse that has been predicted," he said.

Nevertheless, Taft said he felt that economic assistance by this country would be "very helpful in creating conditions under which these countries would be less likely to go Communist."

Congress Votes Truman Bulk Of Program

Washington, Dec. 20 (AP)—Congress today handed President Truman a $522,000,000 aid fund for France, Austria and Italy as the main fruit of a 33-day special session.

DAY

Along with it went a Republican-sponsored bill calling for voluntary measures by business and agriculture to combat cost of living increases at home while relieving want abroad.

The stopgap relief fund, approved just before adjournment last night, was $75,000,000 less than the Administration wanted to buy food, fuel and fertilizer for the three European nations during the winter.

Includes Aid To China

It had fared far better during its trip through Congress, however, than the President's ten-point anti-inflation program featuring standby wage, price and rationing controls, which met with a congressional thumbs down.

The appropriation bill carried, in addition to the European aid money, an $18,000,000 grant to China. The Administration had made no such request but the Senate decided to toss it in as a sign of support for Chiang Kai-shek's battle against the Chinese Communists.

In its final form the bill also provided $340,000,000 to meet occupation and relief costs for American forces in Germany, Japan and Korea, a compromise figure worked out by a House-Senate Conference Committee.

Original Bid Cut

The State and Army departments had asked $490,000,000 for these purposes and the Senate allowed the full amount. The House, which had voted a $260,000,000 cut, finally settled for one of $150,000,000.

There was one other major last-minute dispute between the two chambers. It was over the amount of wheat, flour and wheat products which must be retained in the United States on July 1, when the new crop year begins.

The House put this at 150,000,000 bushels over strong Administration protests. The Senate voted to let President Truman reduce the total to 125,000,000 bushels on March 1. The House figure finally was accepted by Senate conferees.

Regular Session Jan. 6

Then Chairman Taber (R., N.Y.) of the House Appropriations Committee hurried back to the House floor and won approval of the bill by a vote of 233 to 2. The Senate accepted it on a voice vote.

Within a few moments—at 7.14 P.M.—the Senate had passed an adjournment resolution. The House quit at 7.32 P.M. and the session which began November 17 was over.

The regular session will begin next January 6, with main interest centered on the $17,000,000,000 Marshall plan for long-range European recovery and a GOP bill to cut taxes $5,600,000,000 a year.

Marshall Says His Proposal Will Fill 'Political Vacuum'

Blames Big 4 Failure on 'Frustration Tactics' of Molotov—Says Soviet Is Frankly Hostile to U. S. Aid Plan.

Washington, Dec. 20 (A. P.).—Secretary of State Marshall today handed America the job of helping western Europe reach the high level of economic recovery which he said is probably the only way to force a lasting peace on hostile Russia.

In a sober report on the failure of the London Foreign Ministers' Conference, Marshall said there is a direct relation between Russia's "frustation tactics" in London and her "frank declaration of hostility" to the $17,000,000,000 European aid plan bearing his name.

DAY

If the Marshall plan succeeds, he said, it will fill a "political vacuum" created by the war and result in "forms of government which guarantee true freedom, opportunity to the individual and protection against the terror of governmental tyranny."

Communist leaders "openly predict that this restoration will not take place," the Secretary said in his radio address last night, and added:

"Until the result of this struggle becomes clearly apparent, there will continue to be a very real difficulty to resolve even on paper agreed terms for a treaty of peace."

Blames Molotov.

Marshall spoke from his State Department office only a few hours after his return from London, and shortly after President Truman had presented the European recovery program to Congress.

The Secretary repeatedly blamed Foreign Minister Molotov for failure of Britain, France, the United States and Russia to reach agreement on the German and Austrian peace treaties.

"I realize that the many lengthy statements and the frequent and fundamental disagreements were very confusing to the general public," he said. "Also, the continuous accusations against the good faith, the integrity and the purposes of the Governments of the Western Powers, particularly the United States, necessarily added greatly to the confusion.

"This was, as a matter of fact, one of the purposes of these attacks."

Commenting on Molotov's insistence on setting up a German central government without first unifying Germany, Marshall said any such government would be "a sham and not a reality."

"This," he said, "was the first clear evidence of (Molotov's) purpose to utilize the meeting as an opportunity for propaganda declarations which would be pleasant to German ears."

In the Soviet zone of Germany, Marshall said, Russia has "seized vast holdings and formed them into a gigantic trust" embracing a substantial part of the industry of that zone.

"This has resulted in a type of monopolistic strangle-hold over the economic and political life of Eastern Germany which makes that region very little more than a dependent province of the Soviet Union. A very strong reason, in my opinion, for our failure to agree at London was the Soviet determination not to relax in any way its hold on Eastern Germany."

Marshall spoke bitterly of Molotov's categoric refusal to furnish the Foreign Ministers with information about the Russian zone of Germany, while at the same time offering "carping criticism of the economic procedure in our zones."

He said "no real ground was gained or lost at the meeting," but added: "We cannot look forward to a unified Germany at this time. We must do the best we can in the area where our influence can be felt."

DEC 1947

30.24 - 14377

Rocky Road In Congress Expected For 4-Year Aid Proposal

Washington, Dec. 20 (AP)—Sharp attacks from both Republican and Democratic ranks today forecast rough going for the four-year, $17,000,000,000 Marshall plan when Congress comes back to work January 6.

DAY

Republican leaders — excluding Senator Vandenberg, of Michigan —were apparently lining up behind a proposal by Senator Taft (R., Ohio) that any formal pledge of European aid be limited to one year.

Taft wants Congress to review the program annually and decide whether it should be continued. This found favor with at least one Democrat, Senator Edwin C. Johnson, of Colorado, who said:

"I am opposed to this Congress committing future Congresses. I doubt very much that we have enough surplus food supplies to permit us safely to export more than half of the amount the President requested during the next fifteen months."

15-Month Request

President Truman asked for a $6,800,000,000 outlay in the fifteen months beginning April 1, when stopgap relief for France, Italy and Austria will end.

Congress provided $522,000,000 to send food, fuel and fertilizer to those nations in legislation approved just before the end of the special session last night.

Approval of this measure, generally accepted as the forerunner of the Marshall plan, indicated that eventually the lawmakers will agree to furnish some form of economic aid to the sixteen non-Communist nations of western Europe.

Methods In Doubt

But the amount and the methods remain in doubt.

There was some indication, for instance, that the Administration might be willing to retreat from the President's request for approval of a plan covering the full four years.

DEC 1947

Senator Hatch (D., N.M.), a close personal friend of Mr. Truman and a strong supporter of the program, said that if a one-year commitment is the price for getting the economic aid under way, he would be willing to go along.

"I don't think it means too much whether we say we will have a four-year program or say that we will have a one-year program and then review the situation to decide our future course," Hatch said.

"Once embarked on the program, no Congress will be willing to turn back from it."

Hopes For Shortening

But Representative Arends (R., Ill.), House Republican whip, said he hopes the program can be "shortened."

Senator Kem (R., Mo.) said flatly that "I shall be unable to follow the President further in this venture."

Senator Smith (R., N.J.), who supports the principle of the Marshall plan, said he doesn't want to hold out the $17,000,000,000 figure as a pledge to Europe.

He would prefer, he said, to fix a single year's financial commitment and require nations receiving aid to show that they are meeting their own production targets yearly.

Senator Vandenberg, who is chairman of the Foreign Relations Committee, declined immediate comment on the President's message submitting the long-range recovery program.

Linked With Peace

But he told his colleagues that "what we do now will determine whether there is to be a third World War and whether the United States is to be fatally isolated in an economically Communist-controlled world."

Senator Ball (R., Minn.), a member of the Appropriations Committee, said he thinks it would be "foolhardy" for the United States to commit itself to a $17,000,000,000 program. He added that this country "can't afford" to spend $6,800,000,000 on European aid in a fifteen-month period.

Senator Byrd (D., Va.) said he hopes Mr. Truman will trim next year's Government budget by approximately the amount he proposes to spend abroad.

Bases For U.S.

Senator McCarthy (R., Wis.) asserted that the United States should arrange to get some military bases and strategic materials in return for the aid it furnishes the European nations.

But not all of the comment was critical.

Democratic Leader Barkley (Ky.) said he believes Mr. Truman had arrived at a "conservative figure" on the cost of the aid program, and that he hopes Congress will approve the proposal without material changes.

And Senator White, of Maine, the Republican floor leader, said he thinks that in the long run Congress will agree—however reluctantly—to spend just about what the President asked.

The Cleveland *Plain Dealer* said one fundamental fact emerged from a careful reading of Mr. Truman's message to Congress: "While the United States is partly motivated by a desire to help its Allies, its principal reason is self-insurance against an economically and politically disrupted world."

Viewed As Abstract

The Portland (Ore.) *Oregonian* said it regarded the speech as "illuminating and logical," but the Los Angeles *Times* termed it "unsure that the right amount of assistance will be provided under the right terms at the right time to the right people."

The Buffalo (N.Y.) *Courier Express* asserted that the President's plan would bring "strident" protests from "standpat isolationists of the right and from Moscow's busy little helpers on the left . . ." and added:

"If Congress lets its judgment be swayed by those strident voices, the United States will be in for a bad time."

DEC 1947

U.S. Press Split Sharply On 17-Billion Europe Aid

[By the Associated Press]

The nation's press, a cross-section survey of its editorial columns disclosed today, expressed sharply divergent reactions to President Truman's request of Congress for a $17,000,000,000 European recovery program to halt the march of "selfish totalitarian aggression."

The United States, said the Nashville *Tennesseean*, "stands soberly ready to underwrite" the Truman proposal. The newspaper added that it was "particularly appropriate that Mr. Truman warned Congress that inflationary effects" of the plan "must be dealt with along lines of the program he presented to that body last month."

Called "Out Of Focus"

But another Southern newspaper, the Richmond (Va.) *Times Dispatch*, editorialized that Mr. Truman's speech constituted a "pretty good sales talk but was overspiced with stale stock phrases and catchwords which have lost their luster by constant repetition.

"Despite the President's earnest attempts to clarify the matter," the *Times Dispatch* continued, "the project is still blurred and out of focus."

Said the Boston *Globe*:

"President Truman's message on the Marshall plan for European recovery marks a new and momentous stage in the evolution of postwar American foreign policy. . . . The plan unmistakably commits the American people to a gigantic and fateful enterprise. . . ."

Facing "Superhuman" Task

In the West, the Omaha *World Herald* said that while the American people are not indifferent to the unhappy plight of other lands, "the magnitude of the task, the difficulties in its path, the all but superhuman wisdom that would be required to administer it wisely loom massively through the bright rhetoric of the President's argument."

revealing" because "nowhere does Mr. Truman mention a concrete this for that."

Under the heading, "Investment in Peace," the New York *Herald Tribune* said:

"With dignity and forcefulness Mr. Truman has presented to Congress a distillation of the greatest effort toward international economic planning that has ever been undertaken. . . . The United States can play a decisive part in this (European) struggle, which is America's struggle, for five per cent of what the war cost this country."

The New York *Daily Mirror*, on the other hand, called the President's recommendation "the greatest fool's gamble ever proposed with a straight face to an intelligent nation."

Doubts Net Gain

Mr. Truman was lauded by the New York *Times* for avoiding the "hypocritical course" of operating the program on a year-to-year basis, but the New York *Daily News* expressed doubt that it "would buy western Europe away from communism and make a lot of friends for Uncle Sam."

The *News* asked why the United States did not stock up on vital strategic materials "against the war which the ERP (European Recovery Program) may easily breed."

The President's plan shows the way for Europe, with American aid, "to abandon its historical disunion and learn the first lesson of close and sympathetic collaboration," editorialized the Baltimore *Sun*.

Urges "Right" Course

"We must help the people of Europe to permit them to save themselves," commented the St. Louis (Mo.) *Globe Democrat*, while the Minneapolis *Tribune* said that it remains now for Congress "to make

DEC 1947

Informers Furnish Data To Speculation Probers

WASHINGTON, Dec. 20 (AP).—Many tips that Government officials and other public figures have been speculating on the grain market were reported arriving at the Capitol today as committees of both the Senate and House made ready for broad investigations.

Senator Homer Ferguson (R., Mich.), who heads the Senate investigators, told a reporter that "a remarkable number of tips are coming in from anonymous persons and in signed letters."

WILL FOLLOW TIPS

"We certainly will follow up any that are worthwhile. We can ask Government agencies to check up on brokerage accounts if these names are not found on the lists."

Meanwhile, Representative August H. Andresen (R., Minn.) announced that the special House committee which he heads intends to find out whether "any leaks" have enabled speculators to make "a killing," and whether anyone in the legislative or executive branches have had "inside information" on Government commodity purchases.

Andresen said his committee would get started as soon as it set up a staff and then "move fast." But probably it will not go into action before the regular session of Congress which will begin Jan. 6.

WILL WORK DURING HOLIDAYS

The staff of Ferguson's committee will work during the holidays to get the information before the public as rapidly as possible, Senator Styles Bridges (R., N. H.) said.

Bridges, chairman of the Senate Appropriations Committee, appointed the five-man subcommittee headed by Ferguson yesterday shortly after President Truman signed legislation authorizing Congressional committees to obtain lists of big-time market operators from Secretary of Agriculture Clinton Anderson.

Anderson has announced publicly that he has such lists, but he declined to give them to Bridges' committee on its terms and demanded the special legislation.

WAIT PAULEY RECORDS

Bridges said the list of speculators probably would arrive on Capitol Hill by the first of next week. He also remarked that the committee has not yet received the books, accounts and other records that were promised by Edwin W. Pauley, who already has told the committee about his tradings in various commodity markets.

Pauley, special assistant to the Secretary of the Army and former treasurer of the Democratic National Committee, testified he had "less than a million" dollars invested in corn, wheat, lard, and other futures at the time he took the Army job last September, but had sold all of his holdings except 50,000 bushels of wheat futures. These were bought as a bonus for four or five key employes in his private business organization, Pauley explained.

PROMISES TO GIVE DATA

He promised to submit his personal accounts for examination of the Senate group after being assured that other Government officials including members of Congress would be asked to do the same if their names are found on the speculator lists.

"My little market operations are peanuts in the whole scheme of things," Pauley told Senators, adding that "I do not consider myself a gambler in any way." He said he had used no inside information.

Serving with Ferguson on the subcommittee are Senators C. Wayland Brooks (R., Ill.), William F. Knowland (R., Calif.), Millard Tydings (D., Md.) and Theodore Francis Green (D., R. I.).

LEAKS INDICATED

Andresen said his seven-man House committee already has asked Secretary Anderson for all pertinent information available in his department.

Andresen said a subcommittee of the House Agriculture Committee has dug up information which indicated there might have been leaks on Government intentions to buy commodities through the Commodity Credit Corp. He said there were "bound to be some leaks" in an agency of that size, and that some may have been unintentional and some intentional.

MAIN BUYING AGENCY

"We are going to find out," he said. "There are plenty of rumors but so far no definite proof."

He said that there is proof, however, that the CCC has "completely dominated the market and fixed the prices since July, 1946."

The CCC is the main buying agency for the foreign relief program and also for the Government price support programs.

Andresen said that markets had been entirely responsive to CCC buying to the extent that prices have gone up or down depending on whether the agency was purchasing or not.

30.24- 14379

Senate Body Urges Prompt Report on Speculators So That Study May Be Made During Holidays.

Washington, Dec. 20 (A. P.).—Senators appointed to investigate speculation in grains and other commodities today requested Secretary of Agriculture Anderson to turn over names of any traders promptly so that the list may be studied by the committee staff during the Congress holiday recess.

Senator Ferguson (R.-Mich.), chairman of a special five-man Senate Appropriations subcommittee, said he had asked Anderson to submit any data as soon as possible for study and analysis. Serving with Ferguson are Senators Brooks (R.-Ill.), Knowland (R.-Cal.), Tydings (D.-Md.) and Green (D.-R. I.).

Anderson already is taking steps to make public a list of an estimated 14,000 speculators in such commodities as wheat, corn and butter on a basis of "let the chips fall where they may."

Backed by a congressional resolution bearing President Truman's signature, Anderson told Agriculture Department workers to get the names together as quickly as possible and said he may be able to give them out within the next week.

He already had made it plain that the list will include the names of Congressmen, if any, as well as officials in the Government executive departments, if any, who have fattened their bank accounts by large-scale gambling in commodities during the upsurge in the cost of living.

Some 'Public Figures.'

Washington interest was whetted by the fact that Anderson himself, during a speech on October 9 in Chicago denouncing speculators, said he could "name names" and that "some of them are public figures."

This was followed by Republican demands that he hand over to Congress the names of any Government officials who might have used inside information to play the commodity markets. Anderson insisted on getting formal authorization from Congress first.

He said the Commodity and Exchange act required him to keep confidential the information he regularly receives on large-scale transactions, involving for instance 200,000 bushels or more of grain, 1,000 tons of feed or twenty-five carloads of butter, and other data obtained in occasional spot checks of Commodity Exchange records.

After an unsuccessful attempt by the Senate Appropriations Committee to get the list by subpoenaing Anderson on Thursday, the Senate passed the resolution he asked.

The House followed suit yesterday and Mr. Truman promptly signed it.

Anderson said identifications on the speculator list will be checked closely to avoid mistakenly listing persons with similar names who are not in the market.

The information will be handed to the Senate Appropriations Committee as well as a seven-man House special committee set-up under the chairmanship of Representative August H. Andresen (R.-Minn.), to explore the whole field of commodity gambling.

During the early stages of its investigation, the Senate group turned up Edwin W. Pauley, friend of the President and special assistant to Secretary of the Army Royall, who acknowledged that he had around a million dollars invested in commodities when he took the Government job on September 3.

Pauley insisted that he had since disposed of nine-tenths of his holdings and that he had been careful to avoid even being exposed to any information about Army commodity purchases, let alone using it to further his operations.

Later Senator Jenner (R.-Ind.) declared Pauley bought 500,000 pounds of lard on the market just before new export allocations on fats and oils were announced. This prompted Alf M. Landon, 1936 Republican nominee for President, to call on Mr. Truman last night to dismiss Pauley "immediately and forthwith."

GOP Insists It Will Extend Lid on Prices

Calls Anti-Inflation Bill Just a Start; Democrats Doubt It

WASHINGTON, Dec. 20 (AP). — Speaker Joseph W. Martin, Jr. (R., Mass.), said today the anti-inflation program whisked through the special Congressional session was just the start of a determined Republican drive to bring down the cost of living.

But the House Democratic Leader, Representative Sam Rayburn (D., Tex.) said: "I think they're about through" when asked what he thought the GOP would do now about high prices.

Martin told reporters: "There are other steps to be taken." He did not list them, but one possibility was in the field of rent controls.

POLITICAL ECHOES

Whatever happens to prices from now on, the hot arguments of Congress over living costs have made one thing certain—both the Republicans and Democrats are going to blame the other party if prices fail to slide downward.

Senator Robert A. Taft (R., Ohio) reflected GOP thinking along those lines in a statement saying that by signing the GOP anti-inflation bill President Truman would get power "to check nearly all the principal causes of inflation, if he really wishes to do so."

Taft, A GOP Presidential aspirant, left the way open for more controls later on if voluntary efforts to curb inflation were unsuccessful. And Martin said that the whole question of how to fight inflation would be up for review early in the regular session of Congress starting Jan. 6.

CONTROLS IF NEEDED

Taft's statement indicated a "willingness to consider specific and limited controls in the field of priorities and allocations if specific problems cannot be solved by voluntary action." He said allocations includes rationing authority.

But the President has, or will have if he signs the bill now before him, Taft said, authority to cut Government spending, campaign for less private spending, limit exports, and apply the break to inflationary bank credit.

The Republican anti-inflation bill would permit industry and agriculture to make voluntary agreements intended to hold down living costs, short of price fixing, regardless of the anti-trust laws. It would continue export and transportation controls for a year beyond the Feb. 29 expiration date.

SIGNATURE EXPECTED

Mr. Truman himself had recommended these steps, so many legislators expect him to sign the bill. But he also said anything less than his 10-point anti-inflation program would be inadequate.

He wanted authority to restore rationing, price and wage controls at particular trouble spots, if necessary. Republicans in Congress balked at giving him any such power now even on a standby basis. They proposed instead to give voluntary method a test run.

Martin said he did not know how long the testing period might run. Nor did he say specifically what the GOP might do if the tests were a failure.

Representative John A. Carroll (D., Colo.) said in a statement today that the Republican bill "is a fraud and sham, and it is commonly regarded in the halls of Congress as a political hoax."

As for possible further steps, Chairman Jesse P. Wolcott (R., Mich.) of the Banking Committee has said time and again that rents probably will get early attention when Congress comes back to work next month. The present rent control law ends Feb. 29 unless Congress acts before then.

Wolcott's idea now is that any extension will be along lines of the present law, but with some changes.

DOUBTS NEW STEPS

His committee, which handled the GOP anti-inflation bill, also decided against ruling out completely the Truman rationing, price and wage control program. Rayburn told reporters, however, he saw little possibility the Republicans would go much beyond the bill now awaiting the Chief Executive's action.

"The Republicans have a lot of people from the Midwest who won't vote for anything more," he said. "Their farmers aren't suffering much except when they have to buy a piece of farm machinery. The farmers have more to sell than to buy."

Taft Calls GOP Inflation Bill Adequate

Washington, Dec. 20 (AP)—Senator Taft (R., Ohio) declared today that if President Truman signs the GOP anti-inflation bill he will have the power "to check nearly all of the principal causes of inflation if he really wishes to do so."

Taft said that the Republican-dominated Congress has indicated "a willingness to consider specific and limited controls in the field of priorities and allocations if specific problems cannot be solved by voluntary action."

He defined allocations as including rationing authority.

But before any such action is taken, Taft said he thinks the President should move under powers which would be conferred on him by the "voluntary" bill now on his desk.

Suggests Moves

Taft said the President could (1) reduce Government spending (2) launch a campaign for less private spending and more private saving, (3) limit exports which drive prices up, (4) restrain inflationary bank credit.

The present situation has been brought about by the policies of the Administration," Taft said. "It can be reversed by the Administration if it really wants to slow up the present spiral of increasing prices.

"We are prepared to consider specific powers in limited fields. I see no need at the present time of restoring police state methods of price control and no reason to think they would be successful in America if anyone tried them."

Truman Expected To Sign

Contending that "high prices are not caused by the absence of price control," Taft said the way to solve inflation is to increase production.

Even before Taft issued his statement, intimates of the President predicted that despite his conviction that the Republican bill is far from adequate he nevertheless will sign it.

They said he will accept the bill mainly because of sections which (1) continue his export control power over scarce commodities, (2) continue his authority to allocate transportation facilities such as boxcars and (3) restore his wartime power to restrict use of grain for liquor.

May Brand It Inadequate

At the same time the President is expected to declare that the GOP plan of voluntary industry agreements will never keep the lid on inflation and to renew his demand for stand-by wage-price controls and rationing authority.

Just before passing the Senate-approved measure late yesterday, 281 to 73, the House beat down a last Democratic attempt to give the President compulsory power over allocation of scarce commodities.

The measure authorizes the President to approve voluntary agreements by industry, business and agriculture which provide for:

1. Allocation of transportation facilities and equipment.
2. Priority allocation and inventory control of commodities which basically affect the cost of living or industrial production.
3. Regulation of speculative trading on commodity exchanges.

He also is authorized to set up a food-conservation program and one to promote food and livestock feed production—both voluntary.

Finally, the bill asks the President to submit for possible congressional action a program for dividing up any cost of living items which become "critically short."

NEW AIR FORCE DIVISION GIVEN JOB OF INQUIRY

Creation Of Office Of Inspector General Recalls Meyers Charges

Washington, Dec. 20 (AP)—The Air Force tonight announced creation of an "office of the inspector general," one duty of which will be to spot such instances as the wartime business transactions laid to Maj. Gen. Bennet Meyers by witnesses before the Senate War Investigating Committee.

W. Stuart Symington, Air Secretary, said that within the inspector general's department would be three divisions—an air inspector concerned with the safety of aircraft, installations and other operational functions of the force; an air provost marshal's division,

charged with detecting and prosecuting infractions against Air Force or army regulations such as thefts of property; a division of security and inquiry.

NIGHT

Meyers Investigation Recalled

It will be the last division that is charged with uncovering any such activities as those reported in the Senate committee investigation of Meyers, now a retired officer and under indictment by a District grand jury on charges of perjury and persuading another to lie.

Heading this division will be Joseph F. Carroll, on leave from the Federal Bureau of Investigation and who has been serving as inspector in charge of the Air Force's accounting and fraud section.

Another former Government criminal investigator, Frank J. Wilson, former head of the secret service, will serve as consultant to the inspector general.

General Knerr Designated

Designated as inspector general is Maj. Gen. Hugh J. Knerr. His office, said the Symington announcement, will replace that of the former air inspector, who is Maj. Gen. Junius W. Jones. The latter, air inspector since 1943, is being transferred to command of the Sacramento (Cal.) air materiel command.

Maj. Gen. St. Clair Street, veteran of the World War II air campaigns, has been designated as air inspector in the new combined setup.

In a statement, General Knerr said that:

"The Air Force has a duty of public trust and there has been a long-felt need for establishing a better means of safeguarding that trust."

Truman Praises Italian Freedom

WASHINGTON, Dec. 20 (AP).—President Truman said today the American people were glad to hear that Italy "stands with the other freedom loving nations of the world in the defense of liberty and democracy everywhere."

The statement was in reply to a message from Italian Premier Alcide de Gasperi on the occasion of the departure from Italy last Sunday of the last of the American occupation troops.

DEC 1947

Truman Sends Greetings to G. I.'s

Washington, Dec. 20 (A. P.).—President Truman today sent Christmas greetings to the armed forces both at home and overseas.

In his holiday message, he said in part: "In peace as in war, your fellow Americans are proud of you and deeply grateful for your faithful service."

Gen. Dwight D. Eisenhower, Army chief of staff, soon to retire, said in his yuletide message to the forces: "By your service, by your performance of duty, you help sustain the faith that right and justice and law, prosperity and fruitful living shall again be mankind's portion and that charity among men shall again reign."

Other greetings were sent by Secretary of Defense Forrestal, W. Stuart Symington, Secretary of the Air Force; Gen. Carl Spaatz, chief of the staff of the Air Force.

Marshalls Leave For Yule Vacation

WASHINGTON, Dec. 20 (AP).—Secretary of State George C. Marshall left by plane today for a holiday vacation with Mrs. Marshall at Pinehurst, N. C.

Marshall was advised by President Truman to take the rest when he returned yesterday from the Foreign Minister's Conference at London.

Officials expect him to remain until after Christmas unless urgent developments require his earlier return to the Capital.

Marshall Flies to Pinehurst

PINEHURST, N. C., Dec. 20 (AP).—Secretary of State George C. Marshall arrived in an Army DC-3 plane from Washington early this afternoon and was met by his wife, whom he accompanied to their winter home here, Lixcombe Lodge. Mr. Marshall was advised by President Truman to take the rest when he returned yesterday from the Foreign Minister's conference at London. He is expected to remain until after Christmas unless urgent developments require his earlier return to the capital.

DEC 1947

GIRL'S COUSINS BACK HER PLEA TO STAY IN U.S.

Kin To Aid Maria Formicola—Fiance Died After She Sailed From Italy

New York, Dec. 20 (AP)—Ten New York city cousins of 21-year-old Maria Formicola announced today they will send a family delegation to Philadelphia to support the girl's plea for permission to stay in this country.

The relatives' offer of help was only one of many received by the pretty Italian miss, who has been denied residence in this country because the ex-GI she came here to marry was killed in an accident the day after she sailed from Italy.

Appeals Decision

Because she "has no present plans for marriage to any other ex-member of the armed forces," a special immigration board ruled yesterday she must return to Italy. Miss Formicola appealed the decision.

It now goes before the immigration commissioner at Philadelphia.

News of the young woman's plight brought offers of money, jobs and support from across the country. A Fulton (N.Y.) family offered her a home. So did two Cleveland residents.

A Yonkers, N.Y., music teacher, an ex-GI himself, offered to marry her after seeing her picture in the papers, but immigration authorities didn't allow him to see her.

In Philadelphia, a spokesman for the immigration office said the review of her case probably would take a week.

Church Offers Bond

One of the New York kinsmen, Michael Cataneo, 35, said, "It seems to all of us that since Maria came here to marry a former American soldier who wanted to give her a good life in this country and American freedom as well, there should be no reason his death should deny her these things."

From Louisville, Ky., St. Michael's Catholic Church sent word it was ready to furnish Miss Formicola's immigration bond. Guerrant, Ky., was the home of the former soldier whom she planned to marry, James McIntosh, 19. He was killed in an automobile accident.

Meyers's Arraignment Probable Tomorrow

New York, Dec. 20 (AP)—Maj Gen. Bennett E. Meyers, indicted on perjury charges by a Federal grand jury, probably will be arraigned here Monday, a Government attorney said today.

Mario Pittoni, assistant United States attorney, said the retired air-forces procurement officer was expected to appear before a United States commissioner in Brooklyn, and that bail would be set during the hearing.

A Government attorney in Washington has asked that Meyers's bail be set at $2,000 for his appearance in Washington January 7.

Soldier's Grave Tender Returning To Holland

Hoboken, N.J., Dec. 20 (AP)—Anna M. Koort, the little Dutch girl who visited the parents of an American soldier whose grave in the Netherlands she has cared for, embarked today on the Nieuw Amsterdam, flagship of the Holland-American Line, on her way back home.

She visited Mr. and Mrs. George Moore in Indianapolis. Miss Koort has cared for the grave of their son in the American cemetery at Margraten, the Netherlands. She corresponded with the parents.

It is the second postwar eastbound crossing of the Atlantic for the luxury liner.

Feathered Heroes Are Brought Home

FORT MONMOUTH, N. J., Dec. 20 (AP). — Twenty-five feathered war heroes arrived here today to roost after years of Army combat duty overseas.

The veterans are homing pigeons, which include St. Lo, the winged messenger that carried the first tactical message of the U. S. invasion of Europe.

The pigeons are credited by the Army with from 20 to 43 "missions" each. Another of the birds in the group is Snooky, who flew the Mediterranean with a vital message from Italy to North Africa.

The birds are now under "the command" of Otto Meyer, former U. S. Army major, now in charge of the pigeon loft here as a civilian War Department employe.

25 Pounds of Pearls Sold

Cultured Gems Auctioned After Confiscation by Customs

LOS ANGELES, Dec. 20 (AP). — Twenty-five pounds of loose, cultured Japanese pearls and ninety-six strings of them, value at a total of $48,000 and seized recently at Honolulu by government customs collectors, were auctioned here. The gems were seized from Mrs. Patricia B. Petzoldt, of Moose, Wyo., who said she bought them in Shanghai. Later, United States Judge Leon R. Yankwich ordered them confiscated and sold because she had not declared their full value.

Highest bidder for the loose pearls was M. J. Heller, head of a New York importing concern, who paid $14,500. Bidding on the strings of pearls ranged from $40 to $210 each.

DEC 1947

BERLIN, DEC 20-(AP)-RUSSIAN AUTHORITIES HERE ANNOUNCED TODAY THAT THE RATE OF REPATRIATION OF GERMAN PRISONERS OF WAR FROM THE SOVIET UNION HAD NEARLY DOUBLED SINCE SUMMER AND NOW STOOD AT ABOUT 9,000 WEEKLY.

REPATRIATIONS BETWEEN THE PERIOD OF DEC.6 AND DEC.18 TOTALED 17,027 PW'S AND 292 CIVILIAN INTERNEES. THE RUSSIANS SAID.

THE ANNOUNCEMENT DID NOT STATE HOW MANY PRISONERS THE RUSSIANS STILL HOLD, BUT FOREIGN COMMISSAR V.M.MOLOTOV STATED OFFICIALLY LAST MARCH THAT THE TOTAL WAS ABOUT 800,000, A FIGURE WHICH WAS PUBLICLY CHALLENGED BY NUMEROUS GERMAN SOURCES AS TOO LOW.

DN741AES

TAGGESPIEGEL SAID THE SIX DISTRICT LEADERS OF THE CDU REFUSED AS LATE AS YESTERDAY TO VOTE LACK OF CONFIDENCE IN KAISER AND LEMMER. THE NEWSPAPER SAID THE SIX WERE SUMMONED TO SOVIET HEADQUARTERS IN KARLSHORST TO DISCUSS THE SITUATION WITH COL.SERGEI TULPANOW, LEADER OF THE SOVIET MILITARY ADMINISTRATION'S POLITICAL SECTION.

DESPITE A SOVIET THREAT TO UNSEAT ALL CDU MINISTERS IN THE ZONE, THE SIX VOTED THEIR CONFIDENCE IN KAISER, WHO WAS THE PARTICULAR TARGET OF SOVIET ANGER, THE NEWSPAPER SAID.

THE NEWSPAPER ADDED THAT WHEN THE SIX LEADERS ASKED COL.TULPANOW WHETHER KAISER WAS TO BE ORDERED DISMISSED BY THE SOVIET MILITARY ADMINISTRATION, THE COLONEL REPLIED:

"IT IS YOUR AFFAIR TO SOLVE THE CRISIS, WE LIVE IN A DEMOCRACY."

KAISER AND LEMMER TOOK THE POSITION THAT THE "PEOPLE'S CONGRESS" WAS NOT REPRESENTATIVE OF THE GERMAN PEOPLE, AS CLAIMED BY ITS COMMUNIST-CONTROLLED SED SUPPORTERS. THE CONGRESS NAMED DELEGATES TO GO TO LONDON TO PRESENT VIEWS TO THE FOREIGN MINISTERS. THE BRITISH REFUSED THEM ENTRY VISAS.

KAISER HAD BEEN CHAIRMAN OF THE CDU SINCE 1945. LEMMER WAS VICE-CHAIRMAN OF THE PARTY, A MIDDLE OF THE ROAD ORGANIZATION WITH STRONG CHURCH BACKING.

BOTH WERE IDENTIFIED WITH THE UNSUCCESSFUL ATTEMPT TO ASSASSINATE HITLER IN JULY, 1944. KAISER ESCAPED BY HIDING OUT IN A CELLER AFTER THE FAILURE OF THE BOMB PLOT UNTIL THE RED ARMY ARRIVED 10 MONTHS LATER.

KAISER, 59, BEGAN HIS POLITICAL CAREER AS A UNION LEADER IN 1900. AFTER THE FIRST WORLD WAR HE WAS A LEADER OF THE RHINELAND CENTRIST PARTY. HE OPPOSED HITLER'S EFFORTS TO PLACE UNIONS UNDER GOVERNMENT CONTROL AND WAS ARRESTED IN 1938 ON A CHARGE OF TREASON, BUT WAS RELEASED AFTER SEVEN MONTHS FOR LACK OF EVIDENCE.

LEMMER, 49, WAS A DEMOCRATIC DEPUTY IN THE REISCHSTAG FROM 1924 TO 1933.

JK105PES

DEC 1947

NUERNBERG, GERMANY, DEC. 20-(AP)-DOCUMENTS SHOWING THE SECRECY WITH WHICH KRUPP CARRIED OUT THE GERMAN REARMAMENT PROGRAM FROM 1933 TO 1935 WERE INTRODUCED TODAY BY THE AMERICAN PROSECUTION IN THE WAR CRIMES TRIAL OF ALFRIED KRUPP AND 11 FORMER ASSOCIATES.

THE CODE WORD "KUEHN" WAS USED TO CAMOUFLAGE ORDERS PLACED WITH KRUPP BY THE REICH MINISTRY OF DEFENSE, ACCORDING TO A 1934 MEMORANDUM BY DEFENDANT KARL EBERHARDT, WHO HEADED THE COMPANY'S WAR MATERIAL SALES DEPARTMENT.

ARMAMENT CORRESPONDENCE NOT PROPERLY DISGUISED WAS ORDERED REMOVED FROM ESSEN TO VAULTS IN BERLIN.

A LETTER FROM KRUPP'S MAGDEBURG PLANT TO THE DEFENDANT KARL PFIRSCH IN EARLY 1935 EMPHASIZED THAT IT WOULD NOT ALWAYS BE EASY TO KEEP FOREIGNERS OUT OF "BLOCKED" PLANTS. IT SAID THAT WHERE ESPIONAGE WAS SUSPECTED THE GESTAPO SHOULD BE INFORMED INSTEAD OF THE CRIMINAL POLICE BECAUSE THE GESTAPO WAS MORE EXPERIENCED IN HANDLING ESPIONAGE CASES.

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DEC 1947

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NIGHT LEAD TRUMAN REACTION

BY ALEX H. SINGLETON

LONDON, DEC.20-(AP)-WESTERN EUROPE'S NEWSPAPERS OTHER THAN THE COMMUNIST PRESS GENERALLY EXPRESSED APPROVAL TODAY OF PRESIDENT TRUMAN'S PRESENTATION OF THE MARSHALL PLAN TO CONGRESS.

PAPERS FAVORING THE PLAN AGREED THAT THE PRESIDENT'S REQUEST FOR $17,000,000,000 (BILLION) TO FINANCE A PROGRAM OF ECONOMIC AID FOR 16 NATIONS WOULD GIVE WAR-BATTERED WESTERN EUROPE A CHANCE TO RECOVER. IN LONDON THE FINANCIAL TIMES ALSO POINTED OUT THAT "PLAINLY A PLAN OF THIS SCOPE WILL REQUIRE A SUBSTANTIAL SACRIFICE BY THE AMERICAN PEOPLE."

A BRITISH FOREIGN OFFICE SPOKESMAN, VOLUNTEERING "A WORD OF WELCOME," TERMED THE PROGRAM "A TREMENDOUS EVENT IN THE HISTORY OF POST-WAR EUROPE" AND SAID "IT IS DIFFICULT TO SPEAK OF IT WITH TOO MUCH ENTHUSIASM."

BECAUSE OF THE DIFFERENCE IN TIME MORNING NEWSPAPERS IN MOSCOW DID NOT CARRY ACCOUNTS OF MR. TRUMAN'S MESSAGE YESTERDAY. ALTHOUGH IT DID NOT MENTION THE MESSAGE SPECIFICALLY, THE MOSCOW RADIO CONTINUED ITS ATTACK AGAINST WHAT IT DESCRIBES AS "AMERICAN IMPERIALISM." SOVIET-CONTROLLED NEWSPAPERS IN GERMANY DESCRIBED THE MARSHALL PLAN AS A MEASURE OF "ENSLAVEMENT OF WESTERN EUROPE BY WALL STREET."

GERMAN NEWSPAPERS LICENSED BY THE WESTERN POWERS HAILED THE INCLUSION OF WESTERN GERMANY IN THE PLAN AS OFFERING HOPE FOR RECOVERY AND PEACE. MOST OF THE ITALIAN NON-COMMUNIST PRESS PRAISED THE PROGRAM.

SOME MISGIVINGS WERE EXPRESSED BY NON-COMMUNIST NEWSPAPERS IN BRITAIN, HOWEVER. THE DAILY MIRROR FOCUSED ITS STORY ON THE PRESIDENT'S SUGGESTION THAT EUROPEAN SHIPBUILDING BE REDUCED AND THE SHIPPING DEFICIT MADE UP BY THE PURCHASE OF AMERICAN VESSELS. DESCRIBING THIS PROPOSAL AS A SURPRISE, THE MIRROR SAID IF THE SUGGESTION WERE ADOPTED IT WOULD "PREJUDICE" THE MARSHALL PLAN IN EUROPEAN EYES.

LORD BEAVERBROOK'S DAILY EXPRESS SAID IT THOUGHT BRITAIN SHOULD NOT BECOME A BENEFICIARY UNDER THE MARSHALL PLAN BECAUSE WITH DETERMINATION THE BRITISH "CAN WIN THROUGH UNAIDED," AND BECAUSE THE PLAN "IS PRESENTED TO CONGRESS AS AN ANTI-COMMUNIST DEVICE."

THE INDEPENDENT LONDON TIMES CALLED THE PLAN A "GRAND DESIGN TO BREATHE LIFE INTO THE OLD WORLD BY HELP OF THE NEW." THE LIBERAL NEWS CHRONICLE SAID "ONE OF THE MOST IMPORTANT AND AMBITIOUS SCHEMES IN HISTORY IS REALLY BEGINNING TO TAKE SHAPE." THE CONSERVATIVE GRAPHIC PRAISED THE NON-PARTISAN ATTITUDE OF THE REPUBLICANS AND DEMOCRATS TOWARD AID TO EUROPE.

THE COMMUNIST DAILY WORKER IN LONDON, IN AN ATTACK SIMILAR TO THAT LAUNCHED AGAINST THE PLAN BY COMMUNIST ORGANS IN OTHER COUNTRIES, SAID THE "REAL PURPOSE OF THE MARSHALL-TRUMAN PLAN IS TO FASTEN THE GRIP OF AMERICAN IMPEIALISM ON EUROPE AND TO HOLD BACK THE DEVELOPMENT OF A DEMOCRATIC PEOPLE'S MOVEMENT LED BY THE COMMUNIST PARTIES."

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THE FINANCIAL TIMES SAID "PLAINLY A PLAN OF THIS SCOPE WILL REQUIRE A SUBSTANTIAL SACRIFICE BY THE AMERICAN PEOPLE. ONE OF THE SACRIFICES MAY CONSIST IN ACCEPTANCE OF ECONOMIC CONTROLS AND RESTRAINTS WHICH ARE THOROUGHLY REPUGNANT TO A PEOPLE SO FIRMLY WEDDED TO THE PRINCIPLES OF FREE ENTERPRISE."

THE COMMUNIST DAILY WORKER, IN AN EDITORIAL HEADED "DOLLAR STRINGS," SAID THE "REAL PURPOSE OF THE MARSHALL-TRUMAN PLAN IS TO FASTEN THE GRIP OF AMERICAN IMPERIALISM ON EUROPE AND TO HOLD BACK THE DEVELOPMENT OF A DEMOCRATIC PEOPLE'S MOVEMENT LED BY THE COMMUNIST PARTIES."

WW506AES ADD LON (Day-Marshall Plan) XXX best (Singleton)

LONDON, DEC.20-(AP)-THE MOSCOW RADIO IGNORED TODAY PRESIDENT TRUMAN'S STATEMENT ON THE EUROPEAN RECOVERY PROGRAM AND SECRETARY OF STATE GEORGE C.MARSHALL'S REPORT ON THE BIG FOUR FOREIGN MINISTERS MEETING IN LONDON WHICH COLLAPSED MONDAY.

THE MORNING MOSCOW BROADCAST CONTENTED ITSELF WITH DETAILING VARIOUS FACETS OF WHAT IT CALLED "AMERICAN IMPERIALISM" IN GREECE, IN ITALY, IN AUSTRIA, IN GERMANY, IN FRANCE, IN BRITAIN, AND IN THE BIG FOUR.

WW508AES

BY GLENN WILLIAMS

LONDON, DEC [illegible]-BRITAIN IS RESHAPING HER INTERNATIONAL TRADE AND FINANCIAL AGREEMENTS--FOR THE SECOND TIME WITHIN A YEAR--IN AN EFFORT TO STRENGTHEN THE POUND STERLING AS THE WORLD'S MOST DESIRABLE CURRENCY, NEXT TO DOLLARS.

THE COLLAPSE OF DOLLAR CONVERTIBILITY LAST AUGUST PULLED THE PROPS FROM AN EARLIER FINANCIAL EDIFICE. CONVERTIBILITY AGREEMENTS WITH OTHER NATIONS HAD BEEN SHAPED TO PERMIT THE EXCHANGE OF STERLING AMONG THESE OTHER COUNTRIES WITH THE BACKING OF ITS EVENTUAL CONVERTIBILITY FOR DOLLARS. THUS THE CONFIDENCE IN DOLLARS, WHICH WERE BACKED BY SURPLUS FOOD AND MACHINERY PRODUCTION, WOULD HAVE BEEN TRANSFERRED IN SOME MEASURE TO STERLING.

THE NEW PLAN SHOVES STERLING OUT INTO THE WORLD TO MAKE ITS OWN WAY--WITH TWO "MADE-IN-BRITAIN" SUPPORTS.

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DEC 1947

THE NEW PLAN SHOVES STERLING OUT INTO THE WORLD TO MAKE ITS OWN WAY--WITH TWO "MADE-/N-BRITAIN" SUPPORTS.

ONE IS THE NEGOTIATION OF TRADE AGREEMENTS THAT AMOUNT ALMOST TO BILATERAL BARTER. THE OTHER IS FINANCIAL AGREEMENTS UNDER WHICH SOME COUNTRIES AGREED TO VIRTUAL HOLDING OF LIMITED CASH BALANCES WITHOUT DEMANDING GOLD OR DOLLARS FOR THEM.

SOME OF THESE NEW AGREEMENTS ARE ALREADY COMPLETED, OTHERS A[illegible] BEING NEGOTIATED AND STILL OTHERS ARE SCHEDULED FOR NEGOTIATION EARLY IN THE NEW YEAR.

DEC 1947

THE WHOLE PROGRAM, AS RELATED BY TREASURY AND BOARD OF TRADE SOURCES, REVOLVES AROUND THE ULTIMATE ECONOMIC REALITY IN A WORLD OF SHORTAGES: THAT THE VALUE OF ANY COUNTRY'S CURRENCY IS CLOSELY RELATED TO ITS PRODUCTION OF GOODS.

INCREASED BRITISH PRODUCTION OF SUCH ITEMS AS COAL AND INDUSTRIAL MACHINERY IS PUTTING A GRADUALLY MORE SOLID FOUNDATION UNDER THE POUND, AND MAKING TRADE AGREEMENTS EASIER TO NEGOTIATE.

AN EXAMPLE IS THE RUSSO-BRITISH AGREEMENT, ESTABLISHED "IN PRINCIPLE" BUT NOT YET SIGNED. THE NEGOTIATIONS, LEADING TO EXCHANGE OF RUSSIAN GRAIN AND TIMBER FOR BRITISH MACHINERY AND ELECTRICAL GOODS, TWICE PREVIOUSLY BROKE DOWN BECAUSE THE BRITISH COULDN'T PROMISE DELIVERY OF THE GOODS. THEY STILL REFUSE GOVERNMENT GUARANTEES, BUT EMPHASIZE THAT PROSPECTS OF DELIVERY NOW ARE MUCH BETTER.

THIS PACT, HOWEVER, DOES NOT INVOLVE KINDRED FINANCIAL NEGOTIATIONS FOR IT IS DESIGNED TO WORK OUT AT AN EVENTUAL EVEN EXCHANGE.

THE "PATTERN AGREEMENT" FOR THE NEW SERIES OF FINANCIAL PACTS WAS MADE WITH BELGIUM THIS AUTUMN.

DEC 1947

BRITAIN AND BELGIUM AGREED TO HOLD UP TO TWELVE MILLION POUNDS (FORTY EIGHT MILLION DOLLARS) WORTH OF EACH OTHERS CURRENCY WHICH

EITHER MIGHT OBTAIN IN THE SWING OF TRADE. THEIR TRADE INVOLVES MAINLY THE EXCHANGE OF BRITISH IRON AND STEEL MANUFACTURES FOR BELGIAN FLAX.

AFTER EITHER ONE HAS THAT AMOUNT, THEY AGREED TO DISCUSS POSSIBILITIES OF CONVERTING IT INTO OTHER CURRENCIES--BUT THERE IS NO AUTOMATIC CONVERSION.

AT THE PRESENT TIME BRITAIN IS SENDING MORE GOODS THAN SHE IS RECEIVING AND BOARD OF TRADE OFFICIALS SAY THAT IN NEW TALKS BELGIUN MUST AGREE TO SEND MORE GOODS OR ELSE SLOW DOWN ITS BUYING.

HOLLAND HAS A SIMILAR AGREEMENT WITH A TEN MILLION POUNDS (FORTY MILLION DOLLARS) BALANCE CEILING. THE CEILING IS ABOUT REACHED BUT BUTC" DEBTS TO BRITAIN FOR WAR AND POSTWAR CIVIL AND MILITARY SUPPLIES WILL OBVIATE CLAIMS FOR CONVERSION.

IN NEW TRADE TALKS WITH HOLLAND, BRITAIN EXPECTS SOME DIFFICULTY OVER PRICES FOR DAIRY PRODUCE. LIKE DENMARK, HOLLAND MUST IMPORT FEEDSTUFFS AT HIGH PRICES.

WITH PORTUGAL, THERE IS A FIVE MILLION POUNDS (TWENTY MILLION DOLLARS) CEILING BEFORE CONVERSATIONS OVER CONVERSION BECOME NECESSARY. WITH SWEDEN TEN MILLION POUNDS (FORTY MILLION DOLLARS).

NEW TALKS WITH SWEDEN RESULTED IN AGREEMENT TO SEND COAL, STEEL AND TESTILES TO SWEDEN FOR WOOD PULP, TIMBER AND IRON ORE.

MORE NEGOTIATIONS WITH DENMARK ARE SCHEDULED FOR EARLY NEXT YEAR.

DEC 1947

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TALKS WITH YUGOSLAVIA BROKE DOWN, AT LEAST TEMPORARILY THIS WEEK.

...T THEY DEMONSTRATED THIS FACT: THAT INDUSTRIAL MACHINERY IS IN SUCH ...WORLD DEMAND THAT BRITAIN CAN TRADE IT FOR JUST ABOUT ANYTHING SHE WANTS.

FRANCE AND ITALY ARE OUTSIDE THE MAIN PATTERN OF PRESENT BRITISH TRADE BECAUSE THEY ARE LARGELY UNABLE TO SUPPLY EITHER FOOD OR RAW MATERIAL FOR BRITAIN.

NEGOTIATIONS WITH CANADA ENDED IN TEMPORARY AGREEMENT ON MORE PURCHASE OF CANADIAN WHEAT AND MEAT.

AUSTRALIA AGREED TO SEND EIGHTY MILLION BUSHELS OF WHEAT. GRAIN SUPPLIES FROM CANADA, AUSTRALIA AND RUSSIA ARE EXPECTED HERE TO ALLOW BRITAIN TO GET U.S. GRAIN BUYING BECAUSE OF HIGH PRICES.

TALKS WITH ARGENTINA NOW ARE GOING ON.

THE GOAL OF ALL THE NATIONS IS TO REBUILD BRITAIN'S ECONOMY ON PLANS WHICH ASSURE THAT U.S. AID FOR EUROPE WILL NOT COME ABORT.

AT ITS BASE, BRITAIN IS SURE SHE WILL GET A "BANKS TOWARD PROSPERITY."

IT THAT HER SERIES OF AGREEMENTS WILL BE REFLECTED IN GENERAL RESTORATION OF EUROPEAN AND WORLD ECONOMY.

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LONDON, DEC 20-(AP)-THE KING BUSINESS STILL IS ABOUT THE BEST PAYING OCCUPATION IN EUROPE.

EVEN THE SMALLEST COUNTRIES PAY THEIR MONARCHS HANDSOMELY COMPARED WITH THE $75,000 ANNUAL SALARY DRAWN BY THE PRESIDENT OF THE UNITED STATES.

FIGURES ON THE ROYAL INCOMES WERE GATHERED BY THE ASSOCIATED PRESS AFTER A DEBATE IN THE HOUSE OF COMMONS THIS WEEK TURNED ATTENTION TO THE AMOUNTS PAID TO BRITAIN'S RULING FAMILY.

THE COMMONS AGREED TO INCREASE PRINCESS ELIZABETH'S ALLOWANCE TO 40,000 POUNDS ($160,000) AND TO PAY HER HUSBAND, PRINCE PHILIP, 10,000 POUNDS ($40,000). BUT THE DECISION WAS REACHED OVER THE PROTESTS OF A LARGE SECTOR OF THE LABOR PARTY.

SEVEN OF THE EIGHT EUROPEAN COUNTRIES WHICH RETAIN THE MONARCHIAL SYSTEM SPENT WELL OVER A TOTAL OF $4,500,000 ON THEIR ROYAL FAMILIES IN 1947. THE SIZE OF STATE GRANTS TO KING MIHAI OF COMMUNIST-DOMINATED ROMANIA WERE NOT AVAILABLE.

BEST PAID OF ALL WAS BRITAIN'S ROYAL FAMILY WHICH RECEIVED MORE THAN $2,000,000 LAST YEAR.

LOWEST PAID MONARCH APPEARED TO BE KING PAUL OF GREECE. THE ENTIRE GREEK ROYAL FAMILY'S ANNUAL INCOME IS $279,000. OUT OF THIS THE KING MUST MAINTAIN THE ENTIRE ROYAL FAMILY, PAY ALL SERVANTS, ENTERTAIN, AND MEET HIS OWN TRAVEL EXPENSES.

KING HAAKON OF NORWAY ALSO APPEARED TO BE IN THE "LOW INCOME" BRACKET. HIS ANNUAL STIPEND IS 1,000,000 (MILLION) KRONER, ABOUT $200,000, BUT IN ADDITION HE RECEIVES AN UNDISCLOSED AMOUNT FOR PALACE EXPENSES.

NORWAY ALSO PAYS CROWN PRINCE OLAV 300,000 KRONER, ABOUT $60,000 A YEAR.

NEITHER HAAKON NOR OLAV IS KNOWN TO HAVE ANY PRIVATE INCOME.

BEFORE THE WAR THE DUTCH HOUSE OF ORANGE WAS CONSIDERED ONE OF THE WEALTHIEST ROYAL FAMILIES IN THE WORLD. IT IS NOT KNOWN TO WHAT EXTENT THE WAR AFFECTED THE PRIVATE FORTUNE OF QUEEN WILHELMINA.

THE DUTCH QUEEN'S ANNUAL INCOME FROM THE STATE IS 1,000,000 (MILLION) GUILDERS, ABOUT $377,000, PLUS A MAXIMUM OF 100,000 GUILDERS ($37,700) FOR PALACE MAINTENANCE. SHE ALSO RECEIVES THE PROCEEDS OF CROWN ESTATES. THERE WAS NO ESTIMATE OF HER INCOME FROM PRIVATE SOURCES.

IN ADDITION, THE NETHERLANDS PAYS CROWN PRINCESS JULIANA AND HER HUSBAND, PRINCE BERNHARD, 200,000 GUILDERS ($75,400) EACH.

STATE GRANTS TO SWEDEN'S ROYAL FAMILY LAST YEAR, INCLUDING 950,000 CROWNS ($263,889) TO KING GUSTAF, TOTALLED 1,393,000 CROWNS ($386,940).

ADVANCE) LONDON, SUNDAY, DEC. 21-(AP)-A GERMAN HISTORICAL DOCUMENT CAPTURED DURING THE WAR DISCLOSED TODAY THAT GERMAN LEADERS RECOGNIZED AS EARLY AS 1941 THAT ALLIED AIRMEN HAD GAINED THE INITIATIVE OVER THE GERMAN AIR FORCE.

THE BRITISH AIR MINISTRY RELEASED A TRANSLATION OF THE DOCUMENT TODAY. IT WAS PREPARED BY THE HISTORICAL BRANCH OF THE GERMAN AIR FORCE FROM REPORTS OF ITS INTELLIGENCE BRNAHC.

THE DOCUMENT PAID TRIBUTE TO THE RAF WHICH GAINED MASTERY DURING THE AIR WAR OVER BRITAIN AND CONDUCTED OFFENSIVE OPERATIONS AGAINST THE CONTINENT, AND ADMITTED THE DETERIORATION OF THE GERMAN AIR FORCE WHILE THE RAF, AND LATER THE U.S. ARMY AIR FORCES, WERE GAINING "OVERWHELMING SUPREMACY."

THE DOCUMENT SAYS BRITISH AND AMERICAN FIGHTERS' "STRENGTH HAD INCREASED ENORMOUSLY" BY 1943, AND THAT BY THE SECOND HALF OF THAT YEAR GERMANY'S AIR SITUATION HAD BECOME "CONSIDERABLY MORE CRITICAL."

BY THE TIME SHORT-RANGE BOMBERS AND FIGHTER BOMBERS HAD BEEN TRANSFERRED TO THE NORMANDY BRIDGEHEAD, THE DOCUMENT SAYS, "THEY WERE EMPLOYED IN SUCH A CONCENTRATED MANNER THAT AT TIMES DURING THE DAY THEY SUCCEEDED IN COMPLETELY PARALYZING ALL MOVEMENTS BEHIND OUR LINES."
(END ADVANCE FOR USE AT 7:30 P.M., E.S.T. TONIGHT, SATURDAY, DEC. 20)
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THOUGH THE SIZE OF HIS INCOME WAS NOT AVAILABLE, KING MIHAI'S VISIT TO LONDON FOR PRINCESS ELIZABETH'S WEDDING AND HIS SUBSEQUENT VISIT TO SWITZERLAND INDICATED ROMANIA KEEPS HIM IN THE STYLE TO WHICH ROYALTY IS ACCUSTOMED.

THE BELGIAN CIVIL LIST PROVIDES FOR AN ANNUAL APPROPRIATION 12,000,000 (MILLION) FRANCS ($274,285) FOR THE ROYAL FAMILY, "FOR THE DURATION OF KING LEOPOLD'S REIGN." THE KING NOW IS IN SWITZERLAND AND HIS BROTHER IS REGENT. FOR THE PAST TWO YEARS THERE HAS BEEN A SUPPLEMENTARY APPROPRIATION OF 12,000,000 (MILLION) FRANCS FOR OTHER EXPENSES.

BELGIUM'S QUEEN MOTHER ELIZABETH RECEIVES 2,000,000 (MILLION) FRANCS A YEAR.

IN ADDITION THERE ARE UNESTIMATED PERSONAL INCOMES FROM ESTATES AT HOME AND IN THE BELGIAN CONGO.

DENMARK'S ROYAL FAMILY GETS A TOTAL OF 2,200,000 KRONER ($440,000) A YEAR FROM THE STATE. THE KING RECEIVES 1,750,000 KRONER ($350,000) FROM WHICH HE PAYS ALL HOUSEHOLD EXPENSES.

THE ROYAL INCOMES LOOK TREMENDOUS BUT THEY'RE NOT ALL HAY. STATE AND SOCIAL OBLIGATIONS OF THE KINGS ENTAIL ENORMOUS EXPENSES AND LARGE PROPORTIONS OF THE STATE GRANTS ARE SET ASIDE TO MEET THE COSTS OF ENTERTAINING AND MAINTAINING THE REGAL SPLENDOR THEIR SUBJECTS EXPECT.

MT213PES

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EOLO LONDON

WASHINGTON,DEC 20-(AP)-STATE DEPARTMENT OFFICIALS SAID TONIGHT THAT "VOICE OF AMERICA" SCRIPTS ON RUSSIAN ECONOMIC MANEUVERS HAVE BEEN STRAIGHTFORWARD, ACCURATE REPORTS.

ASKED IF THERE WAS ANY DEPARTMENT COMMENT ON THE MOSCOW RADIO'S CHARGE THAT THE OFFICIAL BROADCAST HAS BEEN "LYING" ON THAT SUBJECT, THESE OFFICIALS REFERRED A REPORTER TO A NEWS CONFERENCE STATEMENT BY UNDERSECRETARY LOVETT LAST TUESDAY.

LOVETT AT THAT TIME, DISCUSSING OTHER ACCUSATIONS BY RUSSIA, SAID THAT IN SUCH CONTROVERSIES HEREAFTER THIS COUNTRY NOT ONLY WILL REPORT THE FACTS AS IT HAS DONE IN THE PAST, BUT ALSO POINT OUT WHO HAS BEEN LYING.

RZ1153PES

PARIS, DEC. 20-(AP)-FRANCE IS WILLING AT ANY TIME TO NEGOTIATE WITH ANY OF THE OTHER OCCUPYING POWERS ON GERMANY'S FUTURE, FOREIGN MINISTER GEORGES BIDAULT DECLARED TODAY.

THE FOREIGN MINISTER'S STATEMENT WAS MADE AT A CLOSED MEETING OF THE NATIONAL ASSEMBLY'S FOREIGN AFFAIRS COMMISSIONN AND A TRANSCRIPT OF HIS REMARKS WAS DISTRIBUTED AFTER THE SESSION.

"OUR LIBERTY OF ACTION IS COMPLETE," BIDAULT SAID. "WE ARE READY AT ANY TIME TO DISCUSS WITH ANY ONE OF OUR ALLIES ANY QUESTION FOR WHICH THERE IS A USEFUL OR A POSSIBLE SOLUTION, BUT OUR GENERAL POSITIONS AND PURPOSES REMAIN THE SAME."

THE QUESTION OF FUSION OF THE THREE WESTERN ZONES OF GERMANY HAS NOT BEEN SETTLED, BIDAULT SAID. SUCH A FUSION OF U.S., BRITISH AND FRENCH ZONES WAS PREDICTED IN MANY CIRCLES AFTER THE BREAKUP OF THE LONDON CONFERENCE OF THE FOUR-POWER COUNCIL OF FOREIGN MINISTERS.

THE FOREIGN MINISTER SAID FRANCE HAD WORKED HARD TO PREVENT THE DISINTEGRATION OF EUROPE BUT THAT "NOW IT APPEARS THAT EVENTS ARE ON THE MARCH--EVENTS WHICH WE HAVE DONE NOTHING TO PROVOKE."

RW433PES

(ADVANCE)-PRAGUE, CZECHOSLOVAKIA, DEC 20-(AP)-CZECHOSLOVAKIA APPEARED CLOSED TONIGHT AS A MARKET FOR AMERICAN FILMS FOLLOWING THE BREAKDOWN OF A CONFERENCE BETWEEN CZECH FILM INDUSTRY REPRESENTATIVES AND IRVING MAAS OF THE AMERICAN MOTION PICTURE EXHIBITORS ASSOCIATION.

THE U.S.EMBASSY, WHICH ANNOUNCED THE BREAKDOWN, SAID ONLY SUCH FILMS AS WERE BOUGHT BY CZECH EXHIBITORS BEFORE A CONTRACT EXPIRED OCT. 8 WILL NOW BE SHOWN.

AMERICAN MOTION PICTURES SHOWING HERE HAVE BEEN FROM ONE TO SIX YEARS OLD. CHARLIE CHAPLIN'S "THE DICTATOR" AND GREER GARSON IN "MRS. MINIVER" RECENTLY CLOSED NINE WEEK RUNS.

THE EMBASSY SAID THE BREAK UP OF NEGOTIATIONS FOLLOWED CZECH INSISTENCE THAT THE REVENUES OF CZECH PICTURES SHOWN IN THE UNITED STATES MUST EQUAL THE INCOME OF AMERICAN FILMS SHOWN HERE.

(END ADVANCE FOR AMS OF SUNDAY, DEC. 21.)

MOSCOW--FIRST ADD KAGANOVICH (A36) ~~XXX RESEMBLANCE.~~

(THE MOSCOW RADIO ANNOUNCED THE APPOINTMENT OF ANOTHER VICE-CHAIRMAN OF THE COUNCIL OF MINISTERS, V.A.MALISHEV. MALISHEV HAS BEEN MINISTER OF THE TRANSPORT MACHINE BUILDING INDUSTRY SINCE MARCH, 1946.)

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DEC 1947

MOSCOW, DEC. 20--(AP)--TOMORROW IS ELECTION DAY AND PRIME MINISTER STALIN'S [redacted] 68TH BIRTHDAY.

THE BALLOTING WILL BE IN FIVE REPUBLICS FOR DEPUTIES TO LOCAL SOVIETS. STALIN HIMSELF IS A CANDIDATE FROM THE STALIN ELECTORAL DISTRICT.

THE GENERALISSIMO RECENTLY RETURNED FROM HIS FALL VACATION AND PERSONS WHO HAVE SEEN HIM SAY HE LOOKS WELL TANNED AND RESTED.

CLOSE FRIENDS IN THE GOVERNMENT PARTY ARE EXPECTED TO ARRANGE SOME INFORMAL OBSERVANCE OF HIS BIRTHDAY, BUT THERE PROBABLY WILL BE NO PUBLIC NOTICE.

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PALESTINE (SEPARATE)

BY CARTER L. DAVIDSON

JERUSALEM, DEC. 20-(AP)-A ~~CHRISTMAS~~ WEEK LULL SEEMS TO HAVE FALLEN ON THE BLOODY AFFAIRS OF PALESTINE, BUT THE CAROLING IS ALMOST DROWNED OUT BY THE PREPARATIONS OF ARAB AND JEWISH "ARMIES" FOR A GUERRILLA FORM OF WAR.

THE ARABS, RECRUITING MEN AND MUNITIONS WITH HOLY WAR FERVOR, LOOK DOWN THEIR RIFLE BARRELS ON THE MOUNTAIN ROADS THAT JOSEPH AND MARY WOULD HAVE TRAVELLED ABOUT 1,948 YEARS AGO TODAY ON THE WAY FROM NAZARETH TO BETHLEHEM.

THE JEWS, WHO FLED FROM ROMAN SWORDS 70 YEARS LATER, HAVE TAKEN UP AN OFFENSIVE DEFENSE IN THEIR DETERMINATION TO TRANSFER THE JEWISH STATE FROM A UNITED NATIONS DOCUMENT TO ACTUALITY ON THE SOIL OF PALESTINE.

MANY QUALIFIED OBSERVERS, AMERICAN, BRITISH, ARABIC AND JEWISH, WHO HAVE WATCHED WHILE 285 DIED IN THE 21 DAYS OF CLASHES AND BATTLES SINCE THE U.N. PARTITION VOTE, HAVE REACHED THESE CONCLUSIONS:

THE JEWS ARE 80,000 STRONG, WELL-ARMED, WELL-TRAINED AND ARE CONSTANTLY RECRUITING TO DEFEND JEWISH LIVES AND PROPERTY. THEY ARE NOT AVERSE TO ATTACK AS WELL AS DEFENSE.

THE ARABS, AS YET NOT OFFICIALLY ORGANIZED AND DIRECTED, HAVE A FORCE OF WELL-ARMED VOLUNTEER GUERRILLA FIGHTERS OF SOME 30,000 IN THE MOUNTAINS RANGING FROM HEBRON THROUGH BETHLEHEM AND JERUSALEM TO NAZARETH. THEY PROBABLY HAVE ALSO 100,000 VOLUNTEERS AWAITING THE CALL TO JOIN THEM.

BRITISH FORCES, PLEDGED TO THE UNITED NATIONS TO KEEP ORDER UNTIL THE MANDATE ENDS,

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BRITISH FORCES, PLEDGED TO THE UNITED NATIONS TO KEEP ORDER UNTIL THE MANDATE ENDS, ALRADY ARE DEPLETED BY GRADUAL EVACUATION.

IN THIS SITUATION THE DANGER OF FULL-SCALE GUERRILLA WAR IS IMMINENT, AND PROBABLY WILL GROW OUT OF THEPRESEN CYCLE OF REPRIS

IMMINENT, AND PROBABLY WILL GROW OUT OF THE PRESENT CYCLE OF REPRISAL AND COUNTER-REPRISAL.

FEW OBSERVERS BELIEVE THAT LEGALLY CONSTITUTED ARAB AUTHORITY, EITHER THE PALESTINE ARAB HIGHER EXECUTIVE OR THE ARAB LEAGUE OF SEVEN NEIGHBOR NATIONS, WILL EVER SOUND A FORMAL DECLARATION OF WAR AGAINST ZIONISM. IT WILL NOT BE NECESSARY.

MOST OBSERVERS BELIEVE THAT THE JEWS PROBABLY WOULD WIN THE FIRST ROUND IN ANY FRONTAL MILITARY CLASH. THOUSANDS OF JEWS NOW CARRYING ARMS GOT THEIR FIGHTING LORE FROM THE BRITISH IN THE WORLD WAR. OTHER THOUSANDS FOUGHT IN ONE OR ANOTHER OF EUROPE'S ARMIES, "COMMANDO" UNITS OR IN THE UNDERGROUND RESISTANCE FORCES.

DEC 1947

A163

OF THE JEWISH AGENCY, OR OF THE UNDERGROUND BANDS OF IRGUN ZVAI LEUMI
AND THE STERN GANG, HAVE PROVED THEMSELVES PROFICIENT WITH
FLAMETHROWERS, EXPLOSIVES, MORTARS, RIFLES, AND REVOLVERS.

THE ARABS, ON THE OTHER HAND, TRAINED IN
CENTURIES OF DESERT LIFE TO FAMILIARITY WITH "ALLAH'S BROTHER"--THE
RIFLE--THEY ARE EXPERT MARKSMEN. ONLY A FEW THOUSAND OF THEM ARE
TRAINED TO HANDLE A TOMMYGUN OR BETTER, AND ONLY A HANDFUL ARE TALENTED
IN THE USE OF MORE COMPLICATED WEAPONS.

BUT THE ARABS ARE INCREASING THEIR FORCES IN PALESTINE, AND THEY
ARE BACKED BY EVER-GROWING VOLUNTEER FORCES IN THE NEIGHBOR STATES.
NEW WEAPONS ARE BEING ADDED TO THEIR ARSENALS, SUCH AS PLANES AND
BREN GUNS.

THERE ARE 16,000 ARABS IN THE PALESTINE POLICE UNIFORM AND
THEY ARE DESERTING AT A RATE OF TWO DOZEN DAILY TO JOIN THE
GUERRILLA FORCES IN THE HILLS. WITH THEM THEY HAVE TAKEN HUNDREDS
OF RIFLES.

THE FEEDING OF THIS GUERRILLA ARMY IN THE HILLS IS BECOMING
SOMEWHAT OF A PROBLEM. BUT ARAB BANDS SET ABOUT YESTERDAY TO SOLVE
IT.

TWO TRAINLOADS OF FOODSTUFFS WERE LOOTED IN "JEWISH COUNTRY."
A NUMBER OF VILLAGES LYING NEAR JEWISH TERRITORY, AND WHICH HAVE
BEEN FRIENDLY WITH THE JEWS FOR YEARS, HAVE BEEN EVACUATED BY ARAB
ORDER. BELLIGERENT STRANGERS FROM ARAB COUNTRY HAVE MOVED IN TO
TAKE THE VILLAGERS' PLACES, IT IS REPORTED.

N336PES

DEC 1947

JERUSALEM, DEC. 20-(AP)-A BRITISH SOLDIER WAS KILLED IN THE JAFFA-
TEL AVIV BORDERLAND AREA TODAY, A HAGANA SOURCE SAID, WHEN WARRIORS OF
THE JEWISH ARMED FORCE FIRED ON AN ARMORED CAR WHICH THEY MISTOOK FOR
AN ARAB LEGION VEHICLE.

SNIPERS' BULLETS KILLED TWO ARABS IN THE SAME AREA, BRINGING TO 283
THE NUMBER OF DEATHS IN THE HOLY LAND SINCE THE UNITED NATIONS VOTED
FOR PARTITION NOV. 29. THE TOLL THROUGHOUT THE MIDDLE EAST STANDS AT
404.

A HEAVY EXPLOSION SHOOK JERUSALEM'S COMMERCIAL CENTER JUST BEFORE
NOON AND A PALL OF SMOKE HUNG OVER THE AREA. EARLIER, ARABS SET OFF A
BOOBY TRAP IN THE EVACUATED JEWISH AREA BELOW THE JAFFA GATE.
SEVERAL CASUALTIES WERE REPORTED.

WW522AES

30.24- 14387

EDITORS:
JERUSALEM--SECOND NIGHT LEAD PALESTINE (A18) INSERT AFTER FOURTH PGH BEGINNING "MEANWHILE A CRYPTIC" AND ENDING "IN ADEN."
(IN LONDON THE COLONIAL OFFICE SAID IT HAD RECEIVED NO REPORTS OF NEW FIGHTING IN ADEN. BUT IT ACKNOWLEDGED RECEIVING A PLEA FROM TEL AVIV RABBIS TO "RUSH HELP." ONE GOVERNMENT SOURCE WAS INCLINED TO DISCOUNT REPORTS OF TROUBLE, SAYING HE WAS SURE THE BRITISH REPRESENTATIVE WOULD HAVE ADVISED LONDON.)
SCATTERED FIGHTING X X X FIFTH PGH.
THE AP
SW553PES

DEC 1947

NIGHT LEAD NEWSPAPERS (160)
SHANGHAI, SUNDAY, DEC. 21-(AP)-THE CHAIRMAN OF THE SHANGHAI NEWSPAPER PUBLISHERS GUILD ASSERTED TODAY THERE WAS NO DISCRIMINATION IN THE NEWSPRINT QUOTA REDUCTIONS ORDERED FOR THE U.S.-OWNED SHANGHAI EVENING POST AND MERCURY AND THE BRITISH NORTH CHINA DAILY NEWS.
BOTH NEWSPAPERS HAVE PROTESTED THE CUTS IN THEIR NEWSPRINT SUPPLIES--50 AND 90 PERCENT RESPECTIVELY--AND HAVE POINTED OUT NO CHINESE-OWNED NEWSPAPERS SUFFERED QUOTA REDUCTIONS.
CHAIRMAN LEE TSE-KWAN OF THE GUILD ISSUED A STATEMENT SAYING BOTH NEWSPAPERS "HIGHLY SENSATIONALIZED" THE NEWSPRINT CUTS AND ADDED: "THEIR ARROGANCE AND BOISTEROUS AIR ARE SURPRISING."
LEE SAID THE ACTION OF THE GUILD WAS TAKEN SOLELY BECAUSE THE NEWSPAPERS HAD INCREASED THE NUMBER OF THEIR PAGES. HE INSISTED THE GUILD NEVER DISCRIMINATED BETWEEN CHINESE AND FOREIGN MEMBERS.
RANDALL GOULD, EDITOR OF THE EVENING POST, DECLARED THE GUILD'S ACTION "FORMS A TEST CASE FOR ALL AMERICAN BUSINESS IN THIS COUNTRY" AND DENIED THE TWO PAPERS VIOLATED GOVERNMENT NEWSPRINT REGULATIONS.
DJ1009PCS NM

SHANGHAI, DEC 20-(AP)-THE BRITISH-OWNED NORTH CHINA DAILY NEWS ANNOUNCED TODAY IT MIGHT CLOSE DOWN UNLESS THE GOVERNMENT REVERSED A SHANGHAI NEWSPAPER GUILD DECISION CUTTING ITS NEWSPRINT QUOTA 90 PERCENT.
THE GUILD ALSO REDUCED 50 PERCENT THE NEWSPRINT QUOTA OF THE AMERICAN-OWNED SHANGHAI EVENING POST AND MERCURY. THE TWO PAPERS ARE THE ONLY ONES FOREIGN-OWNED IN SHANGHAI AND THE ONLY ONES TO HAVE QUOTAS REDUCED.
THE BRITISH PAPER ANNOUNCED IT WAS APPEALING TO THE BRITISH CONSULATE AND THE BRITISH CHAMBER OF COMMERCE.
THE CHINESE-OWNED CHINA PRESS PLAYED A STORY ASSERTING THE TWO PAPERS WERE THE ONLY ONES WHICH "IGNORED" THE GUILD'S RESOLUTION CALLING FOR "AUSTERITY" IN THE PUBLISHING INDUSTRY. THIS STATEMENT WAS NOT AMPLIFIED, BUT THE GUILD PREVIOUSLY SAID BOTH PAPERS OFTEN PRINTED EXTRA PAGES.
THE CHINA DAILY TRIBUNE, SHANGHAI'S OTHER CHINESE-OWNED ENGLISH LANGUAGE NEWSPAPER, IGNORED THE DISPUTE.
RANDALL GOULD, EDITOR OF THE POST AND MERCUPY, PROTESTED THE NEWSPRINT CUT TO U.S. AMBASSADOR J. LEIGHTON STUART YESTERDAY.
P532ACS

DEC 1947

PEIPING, DEC 20 (AP)-THE CHINESE COMMUNIST RELIEF GROUP HERE -- FIVE OFFICERS, AN ORDERLY AND A WOMAN COOK -- FINALLY HAS AGREED TO LEAVE FOR HUITSAIYU, AND IT APPEARS NO LAST MINUTE HITCHES WILL DEVELOP.
IF ALL GOES WELL, PERRY HANSEN, JR., UNRRA OFFICIAL FROM NEW YORK, SHOULD HAVE THE GROUP DELIVERED AND BE BACK HERE BY CHRISTMAS EVE WITH SEVEN UNRRA EMPLOYES WHO HAVE BEEN WORKING IN COMMUNIST TERRITORY AND JACK DODDS, TORONTO, ONT., OF THE FRIENDS SERVICE UNIT. DODDS WENT TO COMMUNIST TERRITORY TO INVESTIGATE A PLANE CRASH.
THE COMMUNIST GROUP'S DECISION TO ACCEPT RETURN WAS MADE AFTER THEY HAD TALKED OVER UNRRA RADIO WITH RED AUTHORITIES IN HUITSAIYU AND HAD RECEIVED FROM SHANGHAI AN UNRRA OFFER OF REIMBURSEMENT FOR MATERIAL THE NATIONALISTS HAD CONFISCATED.
GG803ACS NM

(WX) NANKING--FIRST ADD GENERAL FENG (A109) X X X UNITED STATES.
--DASH--
IN WASHINGTON, GENERAL FENG HAD NO IMMEDIATE COMMENT. THROUGH A SECRETARY, THE GENERAL AID HE WOULD ISSUE A STATEMENT WITHIN THE NEXT DAY OR TWO.
AN OFFICIAL OF THE CHINESE EMBASSY IN WASHINGTON SAID "THE CHINESE GOVERNMENT'S INSTRUCTIONS HAVE BEEN CARRIED OUT AND GENERAL FENG HAS BEEN NOTIFIED THAT HIS MISSION TO THE UNITED STATES IS ENDED AS OF DEC. 31." HE ADDED THAT THE GOVERNMENT'S INSTRUCTIONS INCLUDED A DIRECTIVE TO THE GENERAL TO RETURN TO CHINA AND THIS HAS BEEN DELIVERED.
THE EMBASSY OFFICIAL SAID THE MATTER NOW IS UP TO GENERAL FENG.
PF120PES NM

1900 Batavia (Dec C) XXX Text of

"UNDER THESE CIRCUMSTANCES, POLITICAL AND ECONOMIC DISCUSSIONS WITH THE REPUBLIC CAN HARDLY BE FRUITFUL, THOUGH THE NETHERLANDS IS ONLY TOO PLEASED TO CARRY ON DISCUSSIONS UNDER THE AUSPICES OF THE (UNITED NATIONS) COMMITTEE OF GOOD OFFICES," VAN MOOK SAID.
THE REPUBLICAN GOVERNMENT SAID IT WAS WILLING TO DISCUSS A FEDERAL GOVERNMENT FOR INDONESIA THROUGH THE U.N. COMMITTEE AND DECLARED BEEL'S APPEAL WAS AN ATTEMPT TO BYPASS THAT COMMITTEE.
THE NETHERLANDS GOVERNMENT, IN THE WEST JAVA CONFERENCE, WENT AHEAD ON ITS OWN, "EVIDENTLY IGNORING THE PROCEEDING (U.N.) NEGOTIATIONS BY CREATION OF NEW STATE CONSTRUCTIONS WITHIN DE FACTOR TERRITORY OF THE REPUBLIC,

CREATION OF NEW STATE CONSTRUCTIONS WITHIN DE FACTO TERRITORY OF THE REPUBLIC, WHICH WAS RECENTLY CONQUERED BY FORCE OF ARMS," THE INDONESIAN STATEMENT SAID.
MT320PES

DEC 1947

DEC 1947

sydney, dec. 20-(ap)-a spokesman for herbert v. evatt, australian minister of external affairs, said today that evatt advocates a united nations committee, composed of the allied powers to settle german peace problems.

the spokesman explained evatt's speech before the sydney united nations association yesterday when the australian foreign secretary said the bog four conference in london had broken down because of "power politics."

the informant said that evatt does not believe in setting up a new body to settle peace terms outside the united nations and does not feel that the u.n. assembly should be by-passed.

evatt in his speech said that since the foreign ministers conference had twice broken down because of "narrowness and exclusiveness" of big four interests, the u.n. assembly could be helpful in settling some of the major problems of the german peace.

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DEC 1947

DEC 1947

MANILA, DEC. 20-(AP)-THE ISSUE OF THE FREEDOM OF THE PHILIPPINE PRESS WAS RAISED TODAY BY THE INDEPENDENT MANILA CHRONICLE IN CONNECTION WITH THE SHARP DROP OF FAR EAST OIL CO. SHARES ON THE MANILA STOCK MARKET.

THE STOCKS TUMBLED AFTER AN ANNOUNCEMENT BY COL. ANDRES SORIANO, MULTIMILLIONAIRE INDUSTRIALIST AND PRESIDENT OF THE COMPANY, THAT OIL IN COMMERCIAL QUANTITIES HAD NOT BEEN FOUND IN THE COMPANY'S CEBU PROJECT.

THE CHRONICLE SAID EDITORIALLY TODAY THAT OIL COMPANY OFFICIALS HAD TAKEN OFFENSE AT THE PAPER'S HANDLING OF THE STORY, AND PARTICULARLY OBJECTED TO A HEADLINE ON THE FINANCIAL PAGE, AND TO A PORTION OF THE STORY NAMING THE OFFICIALS OF THE COMPANY.

THE HEADLINE READ:

"INVESTORS LOSE HEAVILY AS FAR EAST OIL DROPS."

THE CHRONICLE SAID IT HAD BEEN ADVISED BY ADVERTISING ASSOCIATES, INC., THAT "NO FURTHER ADVERTISING WOULD BE FORTHCOMING TO THIS NEWSPAPER FROM THE TWO BUSINESS ENTERPRISES CONTROLLED BY THE SAME INTERESTS THAT CONTROL FAR EAST OIL. ADVERTISING ASSOCIATED, INC., ALSO IS CONTROLLED BY THESE INTERESTS."

THE CHRONICLE, PUBLISHED BY EUGINIO LOPEZ OF THE WEALTHY PANAY SUGAR FAMILY, ADDED:

"WE SHALL PRESENT FACTS AS WE HAVE PRESENTED THEM HERETOFORE, WHETHER WE ARE FAVORED OR NOT BY ADVERTISERS. IN THIS PARTICULAR CASE IT SEEMS THAT WE WERE MADE TO CHOOSE BETWEEN FAVORING AN ADVERTISER AND COMPLYING WITH OUR DUTY TO THE PUBLIC. THERE IS NO CHOICE BUT TO KEEP FAITH WITH PUBLIC INTERESTS."

BESIDES THE OIL COMPANY, SORIANO INTERESTS IN MANILA INCLUDE THE SAN MIGUEL BREWERY, THE COCA COLA PLANT, THE PHILIPPINE AIRLINES, THE PHILIPPINE BROADCASTING CO., AND THE OCCIDENTAL LIFE INSURANCE CO. OF THE PHILIPPINES.

X522APS

30.24- 14389

DEC 1947

HAVANA, DEC 20-(AP)-THE FIRST COMMITTEE WORK WAS COMPLETED TODAY AT THE CONFERENCE HERE TO WRITE A CHARTER FOR AN INTERNATIONAL TRADE ORGANIZATION.

THE COMMITTEE ON EMPLOYMENT AND ECONOMIC ACTIVITY ADOPTED REPORTS OF TWO SUBCOMMITTEES AND SENT THEM TO THE CENTRAL DRAFTING COMMITTEE.

IT APPROVED SECTIONS ON FAIR LABOR STANDARDS, EMPLOYMENT AND ECONOMIC ACTIVITY VIRTUALLY AS WRITTEN INTO THE PROPOSED CHARTER AT A PREVIOUS CONFERENCE IN GENEVA.

HOWEVER, MEXICAN DELEGATE EZEQUIEL BURGUETE FARRERA SAID HIS DELEGATION WOULD FIND IT DIFFICULT TO ABANDON ITS AMENDMENT ON TREATMENT OF MIGRANT WORKERS. THE REJECTED AMENDMENT WOULD HAVE FORBIDDEN DISCRIMINATION IN WAGES, PROMOTIONS AND TYPES OF WORK BECAUSE OF NATIONAL ORIGIN.

DY709PES

HALIFAX, DEC.20-(AP)-THE HALIFAX CHRONICLE SAID TODAY THAT MORE THAN 600 TONS OF SMALL ARMS AMMUNITION AND SIX FIGHTER PLANES DESTINED FOR CHINA WILL BE LOADED ABOARD THE FREIGHTER ISLANDSIDE AT HALIFAX WITHIN A FEW DAYS.

THE NEWSPAPER SAID THE SHIPMENT IS PART OF A DEAL BETWEEN THE GOVERNMENTS OF CANADA AND CHINA FOR SALE OF SURPLUS CANADIAN WAR EQUIPMENT.

WW717AES

MEXICO CITY, DEC 20-(AP)-SWEDISH MULTIMILLIONAIRE AXEL WENNER-GREN, WARTIME IMMIGRANT TO MEXICO, ANNOUNCED LAST NIGHT THAT HE HAD ARRANGED TO BUY CONTROL OF MEXICO'S TWO TELEPHONE SYSTEMS, VALUED AT 300,000,000 (MILLION) PESOS ($60,000,000).

WENNER-GREN, WHO WAS ON U.S. AND BRITISH "BLACK LISTS" DURING THE WAR, SAID HIS NEWLY FORMED COMPANY, TELEFONOS DE MEXICO, S.A., IN WHICH HE HOLDS 51 PERCENT OF THE STOCK, WOULD TAKE OVER THE MEXICAN ERICSSON TELEPHONE COMPANY JAN.1.

TENTATIVE ARRANGEMENTS ALSO HAVE BEEN COMPLETED, HE SAID, FOR PURCHASE OF THE INTERNATIONAL TELEPHONE AND TELEGRAPH COMPANY'S MEXICANA TELEPHONE SYSTEM.

C1030AES

DEC 1947

(ADVANCE)-WASHINGTON,DEC.20-(AP)-NAME-CALLING IN THE ANTI-INFLATION BATTLE HAS TAKEN A NEW SPURT DESPITE CONGRESSIONAL APPROVAL OF A FOUR-POINT MEASURE FEATURING VOLUNTARY METHODS OF CONTROL.

THE FRESH EXCHANGE, WITH EACH PARTY BLAMING THE OTHER FOR HIGH PRICES AND QUESTIONING EACH OTHER'S PROPOSALS FOR BRINGING THEM DOWN, TOOK PLACE AS CONGRESS TOOK A FOUR-PIECE BITE AT TEN-POINT PROGRAMS ADVOCATED BY PRESIDENT TRUMAN AND CONGRESSIONAL REPUBLICANS.

WHILE WAITING FOR BIGGER BATTLES IN THE REGULAR SESSION STARTING IN JANUARY, THE DEMOCRATIC NATIONAL COMMITTEE'S WEEKLY "CAPITAL COMMENT" STRUCK SHARPLY AT THE HOUSE-REJECTED WOLCOTT BILL, WHICH WAS MODIFIED BY THE MEASURE FINALLY PASSED FRIDAY, AND THE TEN-POINT GOP PROGRAM FOR THE REGULAR SESSION.

"THE REPUBLICAN CONGRESSIONAL LEADERSHIP," THE DEMOCRATIC LETTER TO PARTY WORKERS SAID, "TODAY STANDS CONVICTED OF AN INCREDIBLY SELFISH FORM OF SPECULATION.

"THE SPECULATION IN THE POLITICAL FUTURES MARKET WITH THE NATION'S WELFARE COMES INTO THE PICTURE IN THIS MANNER. REPUBLICAN STRATEGISTS WILL NOT GIVE THE PRESIDENT SUFFICIENT AUTHORITY TO CONDUCT A SUCCESSFUL ANTI-INFLATION PROGRAM. WHEN THE PROGRAM FAILS BECAUSE OF BAD REPUBLICAN LEGISLATION, REPUBLICAN POLITICIANS WILL THEN SEEK TO DIRECT THE BLAME TOWARD THE MAN WHO HAS TO ADMINISTER THE REPUBLICAN LAWS--THE PRESIDENT. X X X

"INFLATION CANNOT BE LICKED BY HALF MEASURES. ONLY A PROGRAM SUCH AS THE PRESIDENT'S, WHICH HITS AT THE BASIC CAUSES OF INFLATION, CAN POSSIBLY DO THE JOB."

THE WEEKLY LETTER SENT TO THE FAITHFUL BY REPUBLICAN CHAIRMAN CARROLL REECE RETORTS:

"MOST OF MR.TRUMAN'S SO-CALLED ANTI-INFLATION PROGRAM CONSISTS OF PROPOSALS WHICH HIS OWN ADMINISTRATION HAD TRIED AND FOUND WANTING OR FOR EXTENSIONS OF POWERS WHICH HE NOW POSSESSES BUT HAS FAILED TO USE EFFECTIVELY. X X X

"AS THIS IS WRITTEN, THE REPUBLICAN CONGRESS IS TAKING THIS SITUATION IN HAND TO PRODUCE A SENSIBLE AND EFFECTIVE ANTI-INFLATION PROGRAM OF ITS OWN. BUT, NO MATTER HOW GOOD THAT PROGRAM MAY BE, IT CAN NOT BE EXPECTED THAT THE RESULTS OF 15 YEARS MISMANAGEMENT CAN BE WIPED OUT OVERNIGHT.

"TODAY'S ABNORMALLY HIGH PRICE LEVEL IS THE HANGOVER HEADACHE WHICH THE NATION IS SUFFERING AS A RESULT OF ITS 15-YEAR INFLATIONARY SPREE.

--DASH--

DEC 1947

HENRY A.WALLACE HELD THE POLITICAL STAGE THIS WEEK TO THE EXCLUSION OF ALL OTHER PRESIDENTIAL TALK EXCEPT THAT SIFTED IN THE AFTERMATH OF THE WASHINGTON GRIDIRON DINNER.

WALLACE IS REPORTED ABOUT TO DECIDE WHETHER TO LEAD A THIRD PARTY MOVEMENT IN 1948. HIS ALMOST GLEEFUL STATEMENT THAT HE WANTS TO KEEP THE DEMOCRATS "GUESSING" CERTAINLY ACCOMPLISHED ITS PURPOSE.

A153WX

BUT DEMOCRATIC OFFICIALS SAID THEY DREW COMFORT FROM THE SPLIT IN "LIBERAL" RANKS FOLLOWING THE INVITATION OF THE PROGRESIVE CITIZENS OF AMERICA EXECUTIVE COMMITTEE TO WALLACE THAT HE HEAD A THIRD PARTY TICKET. THE PCA IS EXPECTED TO TAKE MORE FORMAL ACTION AT A MEETING IN CHICAGO JAN. 17.

AS ONE DEMOCRATIC COMMITTEE OFFICER PUT IT: "WALLACE ISN'T THE THREAT HE WAS SIX MONTHS AGO. HE'S LOST A LOT OF SUPPORT SINCE THEN. HIS SUPPORTERS TRIED TO GET SENATOR PEPPER (D-FLA) TO RUN WITH HIM BUT THEY DIDN'T GET HIM AND NOW THEY'RE AFTER SENATOR TAYLOR (D-IDA) AND THEY HAVEN'T GOT HIM YET."

STILL THE DEMOCRATS SAY THEY WOULD PREFER THAT WALLACE NOT TAKE A THIRD PARTY IN THE FIELD FOR FEAR HE WOULD TAKE TOO MANY INDEPENDENT VOTES AWAY FROM THEIR TICKET IN SUCH STATES AS NEW YORK, ILLINOIS, AND CALIFORNIA.

THE PCA MOVE BROUGHT RESIGNATIONS OF DR.FRANK KINGDON, CO-CHAIRMAN, AND BARTLEY C.CRUM, NATIONAL VICE CHAIRMAN. PROTESTS AGAINST IT CAME FROM SUCH POWERFUL LABOR GROUPS AS THE NEW YORK UNITS OF THE CIO AMALGAMATED CLOTHING WORKERS, AN INFLUENTIAL COG IN THE AMERICAN LABOR PARTY IN NEW YORK; WALTER P.REUTHER, PRESIDENT OF THE CIO UNITED AUTOMOBILE WORKERS, AND AMERICANS FOR DEMOCRATIC ACTION.

(PCA WAS ORGANIZED LAST DECEMBER TO UNITE ALL "PROGRESSIVES" FOR POLITICAL ACTION REGARDLESS OF "RACE, CREED, COLOR, NATIONAL ORIGIN OR POLITICAL AFFILIATION." ADA CAME ALONG A MONTH LATER TO FIGHT FOR "NEW DEAL" POLICIES. IT REJECTED ANY ALLIANCE WITH COMMUNISTS OR FASCISTS).

ROBERT A.KENNY, FORMER CALIFORNIA ATTORNEY GENERAL, SAID HE WOULD CONTINUE AS THE OTHER CO-CHAIRMAN OF PCA, ADDING: "I AM FOR WALLACE AND WE CAN WIN WITH HIM IN CALIFORNIA AND OREGON."

WALLACE ALSO HAS ON HIS SIDE AN INDEPENDENT PROGRESSIVE PARTY OF CALIFORNIA, A UNION LABOR-SPONSORED GROUP, AND THE RECENTLY ORGANIZED PROGRESSIVE PARTY OF COOK COUNTY (CHICAGO) HAS TELEGRAPHED HIM SUGGESTING THAT HE RUN FOR PRESIDENT.

A REPUBLICAN NATIONAL COMMITTEE OFFICIAL, WHEN ASKED TO ASSAY THE WALLACE THREAT, SAID:

"WE ARE NOT COUNTING ON IT AS GIVING US A SURE THING IN 1948, BUT THE NET EFFECT WILL BE IN OUR FAVOR. A LOT DEPENDS ON THE EXTENT OF HIS ORGANIZATION. ITS TOUGH FOR A THIRD PARTY TO GET ON THE TICKET IN A LOT OF STATES, BUT HE COULD HELP THE REPUBLICANS IN SOME KEY STATES."

--DASH--

POLITICS WILL HAVE SOMETHING OF A BREATHING SPELL NEXT WEEK. CONGRESS HAS GONE HOME. NATIONAL COMMITTEES ARE MOVING INTO SLOW GEAR. NAME-CALLING WILL PROBABLY WILL GIVE WAY TO:

"PLEASE SANTA, BRING ME A WINNING CANDIDATE."

(END ADVANCE FOR AMS SUNDAY DEC. 21--NOTE DATE)

MD116AES

DEC 1947

ECONOMIC

WASHINGTON,DEC.20-(AP)-INTIMATES OF PRESIDENT TRUMAN PREDICTED TODAY HE WILL SIGN THE REPUBLICAN "VOLUNTARY" ANTI-INFLATION BILL DESPITE HIS CONVICTION THAT IT IS FAR FROM ADEQUATE TO HOLD THE LINE ON THE COST OF LIVING.

THEY SAID HE WILL ACCEPT THE BILL MAINLY BECAUSE OF SECTIONS WHICH (1) CONTINUE HIS EXPORT CONTROL POWER OVER SCARCE COMMODITIES, (2) CONTINUE HIS AUTHORITY TO ALLOCATE TRANSPORTATION FACILITIES SUCH AS BOXCARS AND (3) RESTORE HIS WARTIME POWER TO RESTRICT USE OF GRAIN FOR LIQUOR.

AT THE SAME TIME THE PRESIDENT IS EXPECTED TO DECLARE THAT THE GOP PLAN OF VOLUNTARY INDUSTRY AGREEMENTS WILL NEVER KEEP THE LID ON INFLATION AND TO RENEW HIS DEMAND FOR STANDBY WAGE-PRICE CONTROLS AND RATIONING AUTHORITY.

JUST BEFORE PASSING THE SENATE-APPROVED MEASURE LATE YESTERDAY, 281 TO 73, THE HOUSE BEAT DOWN A LAST DEMOCRATIC ATTEMPT TO GIVE THE PRESIDENT COMPULSORY POWER OVER THE ALLOCATION OF SCARCE COMMODITIES.

VICTORIOUS REPUBLICANS QUICKLY CALLED ON THE PRESIDENT TO ENCOURAGE AGREEMENTS UNDER THE BILL WITHOUT DELAY IN THE MEAT, STEEL AND OIL INDUSTRIES, ALL OF WHICH HAVE BEEN DESCRIBED BY ADMINISTRATION SPOKESMEN AS CRITICAL SPOTS IN THE ECONOMY.

THE MEASURE AUTHORIZES THE PRESIDENT TO APPROVE VOLUNTARY AGREEMENTS BY INDUSTRY, BUSINESS AND AGRICULTURE WHICH PROVIDE FOR:

1. ALLOCATION OF TRANSPORTATION FACILITIES AND EQUIPMENT.
2. PRIORITY ALLOCATION AND INVENTORY CONTROL OF COMMODITIES WHICH BASICALLY AFFECT THE COST OF LIVING OR INDUSTRIAL PRODUCTION.
3. REGULATION OF SPECULATIVE TRADING ON COMMODITY EXCHANGES.

HE ALSO IS AUTHORIZED TO SET UP A FOOD CONSERVATION PROGRAM AND ONE TO PROMOTE FOOD AND LIVESTOCK FEED PRODUCTION--BOTH VOLUNTARY.

FINALLY, THE BILL ASKS THE PRESIDENT TO SUBMIT FOR POSSIBLE CONGRESSIONAL ACTION A PROGRAM FOR DIVIDING UP ANY COST OF LIVING ITEMS WHICH BECOME "CRITICALLY SHORT."

CHAIRMAN WOLCOTT OF THE HOUSE BANKING COMMITTEE DECLARED:

"WE HAVE VOTED THE ADMINISTRATION AUTHORITY TO WORK OUT VOLUNTARY SELF-DISCIPLINE AGREEMENTS WITHIN INDUSTRY, TO BRING ABOUT STABILIZATION."

REP.SPENCE OF KENTUCKY, RANKING DEMOCRAT ON THE COMMITTEE, POINTED OUT THAT THE BILL PROVIDES NO WAY TO DISCIPLINE ANY INDUSTRY WHICH DECLINES TO JOIN IN A VOLUNTARY PROGRAM.

BUT SPENCE SAID THE REPUBLICANS MADE IT PLAIN THAT AS FAR AS ANTI-INFLATION LEGISLATION WAS CONCERNED IT WAS "THIS OR NOTHING."

WITH THAT IN MIND, 102 DEMOCRATS JOINED 178 REPUBLICANS AND REP. MARCANTONIO, NEW YORK AMERICAN-LABORITE, TO PUT IT ACROSS ON THE FINAL ROLL CALL.

VOTING AGAINST IT WERE 44 DEMOCRATS AND 29 REPUBLICANS.

MD315AES

DEC 1947

30.24- 14391

(ADVANCE)-WASHINGTON DEC 20-(AP)-REP.VORYS OF OHIO, HOUSE REPUBLICAN FLOOR LEADER ON THE STOP-GAP AID BILL FOR EUROPE, IN ALL PROBABILITY WILL STEP INTO A BIGGER ROLE NEXT JANUARY AS GOP PILOT THERE OF ANY FOREIGN LONG-TERM RECOVERY LEGISLATION.

SEVERAL FACTORS POINT TO THE CHOICE OF THE COLUMBUS CONGRESSMAN AS NO. 1 PARTY FLOOR STRATEGIST DURING DEBATE ON THE LARGE SCALE MARSHALL PLAN OR ANY SUBSTITUTE THAT MAY BE OFFERED.

1. HE WAS CHOSEN BY CHAIRMAN EATON (R-NJ) OF THE HOUSE FOREIGN AFFAIRS COMMITTEE TO PRESENT THE INTERIM AID PROGRAM FOR THE REPUBLICANS. ALTHOUGH COMMITTEE CHAIRMEN ORDINARILY LEAD FLOOR DEBATE ON BLLS THEIR GROUPS HANDLE, EATON, NOW 79 YEARS OLD, CHOSE TO SIT ON THE SIDELINES IN FAVOR OF HIS YOUNGER COLLEAGUE.

2. REP.CHIPERFIELD OF ILLINOIS, ONLY OTHER REPUBLICAN ON THE COMMITTEE WHO HOLDS MORE SENIORITY THAN VORYS, HAS NEVER HANDLED A BILL ON THE FLOOR.

3. VORYS NOT ONLY HANDLED THE INTERIM AID BILL IN THE SPECIAL SESSION BUT ALSO WAS IN CHARGE OF A HOUSE RESOLUTION ORDERING AN INQUIRY INTO DISMANTLING AND REMOVAL OF PLANTS IN GERMANY, A QUESTION THAT IS CERTAIN TO COME UP IN ANY LONG TERM PROGRAM.

"VORYS IS THE ONLY MEMBER OF THE FOREIGN AFFAIRS COMMITTEE WHO ALSO WAS A MEMBER OF THE HERTER SELECT COMMITTEE ON FOREIGN AID WHICH TOURED EUROPE DURING THE CONGRESSIONAL RECESS.

5. VORYS IN THE PAST PLAYED A MAJOR ROLE IN FLOOR LEADERSHIP ON SUCH IMPORTANT LEGISLATION AS THE GREEK-TURKISH LOAN AND THE INTERNATIONAL RELIEF ORGANIZATION BILL.

6. HE IS CHAIRMAN OF A FOREIGN AFFAIRS ECONOMIC SUBCOMMITTEE.

BOTH PARTIES HAVE A FLOOR LEADER ON BILLS UP BEFORE THE HOUSE, WITH THE MAJORITY PARTY'S LEADER WIELDING THE MOST POWER. THE FLOOR LEADER PRESENTS AND EXPLAINS THE LEGISLATION AND USUALLY IS THE CHIEF SPEAKER FOR HIS PARTY.

HE HAS AUTHORITY TO ALLOT TIME TO CONGRESSMEN WHO WISH TO SPEAK ON THE MEASURE AND FREQUENTLY REPRESENTS HIS PARTY IN ACCEPTING OR REJECTING AMENDMENTS. IN GENERAL HE HANDLES PARTY STRATEGY ON THE BILL.

VORYS, HIMSELF, IS NONCOMMITTAL ON HIS POSITION NEXT YEAR.

HE ASSERTS, HOWEVER, THAT "AS OF TODAY, THE MARSHALL PLAN AS IT IS NOW UNDERSTOOD BY CONGRESS, WILL NEVER PASS WITHOUT VERY VIOLENT DEBATE AND GREAT CHANGES."

B119WX

CHIEF WRANGLING WILL CROP UP OVER THESE FOUR POINTS, HE FORECASTS:

DEC 1947

1. WHO WILL ADMINISTER THE PLAN.
2. THE AMOUNT OF THE LOANS.
3. WHETHER THERE WILL BE ANY "OUT AND OUT" GRANTS.
4. REQUIREMENTS TO BE SOUGHT FROM PARTICIPATING COUNTRIES.

THE OHIOAN TOLD A REPORTER HE WAS "VERY SATISFIED" TO END HIS SPECIAL SESSION WORK WITH THE RESOLUTION CONCERNING DISMANTLING OF GERMAN PLANTS.

DEC 1947

HE NOTED THAT THE FOREIGN AFFAIRS COMMITTEE SAID THAT "THE ROLE OF THE GERMAN PEOPLE AS PRODUCERS AND CONSUMERS IS ONE OF THE MOST IMPORTANT FACTORS" IN A LONG-TERM PROGRAM FOR EUROPEAN ECONOMIC RECOVERY.

HIS INVESTIGATION IN GERMANY SHOWED, HE SAID, THAT DISMANTLING OF "KEY" GERMAN INDUSTRIAL PLANTS THAT COULD BE USED FOR PEACETIME PURPOSES "WAS JUST SETTING BACK GERMAN RECOVERY AND PROLONGING THE PERIOD DURING WHICH WE WOULD HAVE TO SUPPORT THEM."

HE SAID THE INVESTIGATING COMMITTEE WAS INFORMED PRIVATELY BY BUSINESS MEN AND OTHERS THAT DEMANDS OF WESTERN EUROPEAN COUNTRIES THAT GERMAN PLANTS BE DESTROYED WERE BASED "NOT ON FEARS OF THEIR WAR-MAKING POTENTIAL BUT ON A FEAR OF PEACETIME COMPETITION."

VORYS TERMED CONTINUED DISMANTLING OF GERMAN PLANTS "UNREALISTIC AND INDEFENSIBLE."

WASHINGTON DEC. 20-(AP)-TERMING THE REPUBLICAN ANTI-INFLATION BILL "A FRAUD AND SHAM," REP.CARROLL (D-COLO) SAID TODAY THAT CONGRESS SHOULD HAVE BEEN KEPT IN SESSION THROUGHOUT THE HOLIDAYS, IF NECESSARY TO MAP "A REAL PROGRAM AGAINST INFLATION."

THE DENVER LAWYER SAID IN A STATEMENT THAT PASSAGE OF THE MEASURE DURING THE CLOSING HOURS OF THE SPECIAL SESSION "DOES NOT IN ANY WAY ACCOMPLISH THE PURPOSE FOR WHICH THE CONGRESS WAS CALLED INTO SPECIAL SESSION BY PRESIDENT TRUMAN."

HE ADDED:

"TO MEET THE PRESENT EMERGENCY AS AN ANTI-INFLATION MEASURE THIS BILL IS A FRAUD AND SHAM, AND IT IS COMMONLY REGARDED IN THE HALLS OF CONGRESS AS A POLITICAL HOAX. IT WILL NEITHER FIX PRICES AT THEIR PRESENT LEVEL NOR PREVENT THE CONTINUING INCREASE IN THE COST OF LIVING, WHICH IN A FEW MONTHS UNDOUBTEDLY WILL REACH EVEN MORE SERIOUS PROPORTIONS."

NOTING THAT THE BILL GIVES THE PRESIDENT POWER TO CONTINUE CONTROLS OVER EXPORTS, TRANSPORTATION AND ALLOCATION OF GRAIN USED IN DISTILLING, CARROLL SAID HE VOTED FOR THE BILL "BECAUSE I BELIEVE THE CONTINUATION OF THESE POWERS GIVEN TO THE PRESIDENT IS NECESSARY."

"HALF A LOAF," HE CONTINUED, "IS BETTER THAN NONE, BUT I AM AFRAID THE REPUBLICAN LEADERSHIP HAS PROVIDED ONLY A THIN SLICE OF A REAL PROGRAM AGAINST INFLATION.

"REPUBLICAN LEADERS HAVE STATED THAT IF THIS LEGISLATION DOES NOT PROVE EFFECTIVE IN CURBING PRICES THEY WILL SET UP MORE RIGID CONTROLS. IN MY JUDGMENT THE COST OF LIVING WILL CONTINUE TO INCREASE AND OUR TIME IS RUNNING OUT IN THE BATTLE AGAINST INFLATION."

CARROLL WILL REMAIN IN WASHINGTON DURING THE HOLIDAYS TO HELP REP. ANDRESEN (R-MINN) SELECT A STAFF FOR THE SPECIAL HOUSE COMMITTEE SET UP TO LOOK INTO SPECULATION IN COMMODITY MARKETS.

VX415PES

DEC 1947

WASHINGTON,DEC. 20-(AP)-THE AGRICULTURE DEPARTMENT WAS ASKED TODAY BY REP.NORBLAD (R-ORE) TO INCLUDE BOTTOM FISH IN ITS EUROPEAN AID PROGRAM.

NORBLAD WROTE F.MARION RHODES CHIEF OF THE INTERNATIONAL FOOD SUPPLY PROGRAM FOR THE INTERIOR DEPARTMENT:

"IN PLANNING SHIPMENTS OF FOOD TO EUROPE UNDER THE CURRENT INTERIM AID BILL X X X MAY I MOST EARNESTLY CALL YOUR ATTENTION TO ONE LARGE FOOD SOURCE WHICH IS AVAILABLE IN ABUNDANCE AND HAS NOT, TO MY KNOWLEDGE, BEEN USED TO DATE.

"WE HAVE IN THE PACIFIC NORTHWEST A LARGE FISHING FLEET WHICH IS AVAILABLE FOR THE PURPOSE OF CATCHING BOTTOM FISH, AND HAVE THE ASSURANCE OF THE PACKING INDUSTRY THAT THEY CAN PROCESS, CAN AND PACK GREAT QUANTITIES OF THIS FISH. X X X

"THERE WAS A LARGE MARKET FOR THIS FISH DURING THE WAR, BUT SINCE THE END OF DOMESTIC RATIONING, THE FLEET HAS BEEN IDLE AND COULD BE PUT TO USE IMMEDIATELY ON THIS PROJECT. THIS IS, TO MY KNOWLEDGE, ONE OF THE FEW FOODS IN THE UNITED STATES WHICH IS NOT IN SHORT SUPPLY AND OF WHICH LARGE FOREIGN SHIPMENTS COULD BE MADE WITH BOTH A BENEFIT TO OUR OWN ECONOMY AND ABSOLUTE ASSURANCE OF NO HARM OR INJURY TO OUR FOOD SUPPLY."

VX425PES NM

DEC 1947

WASHNGTON,DEC.20-(AP)-REP.MUNDT (R-SD) SAID TODAY THAT STRONG SENTIMENT IS DEVELOPING IN THE HOUSE FOR HIS BILL TO COMPEL MEMBERS OF THE COMMUNIST PARTY AND COMMUNIST-DOMINATED GROUPS TO REGISTER AS "AGENTS OF A FOREIGN PRINCIPAL."

HE TOLD A REPORTER THE RECENT HEARINGS OF THE UNAMERICAN ACTIVITIES COMMITTEE INTO COMMUNISM IN HOLLYWOOD HAS LENT IMPETUS TO THE MEASURE AS A POSSIBLE CHECK ON COMMUNIST SUBVERSION IN AMERICA.

HE ADDED THAT OUTSIDE CONGRESS BOTH BUSINESS AND LABOR ARE SHOWING SIGNS OF INTEREST IN THE BILL. ERIC JOHNSTON, PRESIDENT OF THE MOTION PICTURE PRODUCERS' ASSOCIATION, HAS CALLED ON HIM TWICE TO DISCUSS THE PROPOSAL, MUNDT SAID.

MANAGEMENT AND LABOR UNION OFFICIALS ARE HANDICAPPED, THE SOUTH DAKOTAN SAID, BY THEIR INABILITY TO EXPOSE COMMUNISTS AND COMMUNIST SYMPATHIZERS IN ANY CONCLUSIVE MANNER.

"IT IS APPARENTLY UP TO CONGRESS TO PROVIDE A CLEAR CUT DEFINITION OF A COMMUNIST" HE SAID. "WE'VE GOT TO LABEL AND IDENTIFY THE SUBVERSIVE ELEMENTS. IF WE DO THAT, AS MY BILL PROVIDES, THE FORCE OF PUBLIC OPINION WILL PROTECT THE COUNTRY AGAINST THE ACTIVITIES OF A GROUP WHOSE AFFILIATIONS ARE KNOWN TO BE WITH RUSSIA."

THE EFFECT OF MUNDT'S PROPOSAL WOULD BE TO PLACE COMMUNISTS AND SYMPATHIZERS UNDER THE ALIEN REGISTRATION ACT NOW COVERING THE ACTIVITIES OF REGULAR FOREIGN AGENTS.

"THAT ACT HAS WORKED WELL AND THERE IS NO REASON TO BELIEVE IT WOULD NOT SERVE THIS ADDITIONAL PURPOSE," MUNDT SAID.

HE SAID THE UNAMERICAN ACTIVITIES COMMITTEE PROBABLY WILL BEGIN HEARINGS ON THE LEGISLATION EARLY IN JANUARY. AS PROBABLE WITNESSES, HE LISTED JOHNSTON, WILLIAM GREEN, PRESIDENT OF THE AMERICAN FEDERATION OF LABOR, AND J.EDGAR HOOVER, HEAD OF THE FEDERAL BUREAU OF INVESTIGATION.

AB543PES

DEC 1947

WASHINGTON,DEC.20-(AP)-THE GOVERNMENT TODAY SET JANUARY 7 AS A TENTATIVE DATE FOR BRINGING MAJ.GEN.BENNETT E.MEYERS AND BLERIOT H. LAMARRE, A FORMER BUSINESS ASSOCIATE, INTO COURT ON INDICTMENTS CHARGING PERJURY.

BOTH ARE ACCUSED OF TELLING A FALSE STORY TO THE SENATE WAR INVESTIGATING COMMITTEE IN ITS INQUIRY INTO MEYERS' PRIVATE BUSINESS DEALS WHILE HE WAS DEPUTY WARTIME PURCHASING CHIEF FOR THE AIR FORCES.

THE PERJURY COUNTS A FEDERAL GRAND JURY VOTED AGAINST GEN.MEYERS YESTERDAY CHARGE THAT HE FALSELY DENIED TO THE SENATE COMMITTEE (1) THAT HE HAD A FINANCIAL INTEREST IN A DAYTON,O., PLANE PARTS FIRM, (2) THAT THE COMPANY BOUGHT HIM A NEW CADILLAC AUTOMOBILE, AND (3) THAT THE FIRM PAID $10,000 TO REDECORATE HIS WASHINGTON APARTMENT.

IN ADDITION, MEYERS WAS CHARGED WITH INDUCING LAMARRE TO TESTIFY FALSELY TO THE SENATE COMMITTEE ON ALL THREE POINTS.

LAMARRE TOLD THE SENATE COMMITTEE LATER THAT HIS FIRST STORY WAS FAKED. HE THEN PROCEEDED TO BECOME A PRINCIPAL WITNESS AGAINST MEYERS.

THE 35-YEAR OLD LAMARRE WAS PRESIDENT OF THE AVIATION ELECTRIC CO., OF DAYTON. BUT HE SAID THE FIRM WAS ACTUALLY OWNED BY MEYERS AND THE GENERAL MADE HIM KICK BACK ALL BUT ABOUT $50 A WEEK OF HIS $18,000 ANNUAL SALARY.

COMMENTING ON THE INDICTMENT LAST NIGHT AT HIS HOME IN HUNTINGTON, N.Y., GEN.MEYERS SAID HE HAD NO STATEMENT TO MAKE "OTHER THAN TO SAY WHAT I'VE SAID REPEATEDLY--THAT I WELCOME ANY TRIAL BEFORE ANY TRIBUNAL WHICH WILL GIVE ME THE RIGHT TO CROSS-EXAMINE WITNESSES AND TO CALL WITNESSES ON MY OWN BEHALF."

GEORGE MORRIS FAY, U.S. ATTORNEY HERE, ASKED FEDERAL COURTS TO SET $2,000 BOND FOR MEYERS IN NEW YORK AND $1,000 BOND FOR LAMARRE AT DAYTON, TO GUARANTEE THEIR APPEARANCE HERE JANUARY 7. FAY SAID THE TRIAL PROBABLY WILL START IN MID-FEBRUARY.

THE INITIAL PHASE OF THE GRAND JURY INVESTIGATION DID NOT TOUCH ON CHARGES BROUGHT OUT AT THE SENATE COMMITTEE THAT MEYERS PROFITED MORE THAN $150,000 FROM WAR CONTRACTS HANDLED BY THE PLANE PARTS CONCERN.

PROSECUTORS SAID THESE AND INCOME TAX INVESTIGATIONS PROBABLY WILL TAKE SOME ADDITIONAL MONTHS TO PREPARE FOR SEPARATE GRAND JURIES.

MD528AES

DEC 1947

NEW YORK, DEC. 20-(AP)-RUSSIA'S DELEGATION AT THE CONFERENCE OF THE UNITED NATIONS COMMISSION ON HUMAN RIGHTS WORKED CLOSELY WITH DELEGATES FROM THIS COUNTRY," MRS.FRANKLIN D.ROOSEVELT SAID LAST NIGHT ON HER RETURN FROM THE GENEVA PARLEY.

MRS.ROOSEVELT, COMMISSION CHAIRMAN, SAID THAT ALTHOUGH THE RUSSIANS ABSTAINED FROM VOTING 95VEVE
RUSSIANS ABSTAINED FROM VOTING "NEVER BEFORE IN MY EXPERIENCE HAVE I SEEN RUSSIANS AND OURSELVES WORKING SO CLOSELY TOGETHER."

DN601AES

NEW YORK, DEC. 20-(AP)-FORMER VICE PRESIDENT HENRY A. WALLACE WAS URGED LAST NIGHT BY REP. VITO MARCANTONIO (ALP-NY) TO HEAD A THIRD PARTY TICKET IN NEXT YEAR'S PRESIDENTIAL ELECTION "IN THE INTERESTS OF PEACE AND AGAINST THE INTERESTS OF WAR AND DEPRESSION."

ASSERTING THAT HIS VIEWS WERE PERSONAL AND DID NOT NECESSARILY REFLECT THOSE OF HIS PARTY, THE CONGRESSMAN TOLD AN AMERICAN YOUTH FOR DEMOCRACY MEETING THAT THE "ONLY WAY TO FIGHT FASCISM AND REACTION IS TO BUILD A THIRD PARTY AND ELECT" WALLACE PRESIDENT.

HJ638AES

30.24- 14393

(ADVANCE)--(WX)--INDIANAPOLIS, DEC 20-(AP)-DEMOCRATS HAVE MADE IT "PLAIN," SENATOR CAPEHART (R-IND) SAID TODAY, THAT WHEN IT COMES TO ANTI-INFLATION LEGISLATION THEY WANT "PRICE CONTROLS AND RATIONING OR NOTHING."

PRESIDENT TRUMAN, THE SENATOR SAID IN AN ADDRESS FOR BROADCAST OVER STATION WIRE AND THE NBC, "WOULD LIKE TO HAVE THOSE WARTIME CONTROLS IN HIS POWER AS HE APPROACHES NEXT NOVEMBER'S ELECTION."

"JUST LIKE THE TAX AND TAX, SPEND AND SPEND, ELECT AND ELECT DAYS OF THE ROOSEVELT-HOPKINS-ICKES ERA, MR. TRUMAN WOULD LIKE TO RELEASE UNNECESSARY CONTROLS TO GIVE HIS PEOPLE UNLIMITED QUANTITIES OF MEAT AND BREAD JUST BEFORE THEY GO TO THE POLLS," CAPEHART SAID.

"HE WOULD LIKE TO ADD TO THE ROOSEVELT THEORY. HE WOULD LIKE TO TAX AND TAX, SPEND AND SPEND, RELEASE AND RELEASE, ELECT AND ELECT."

CAPEHART ASSERTED THAT IN THE RECENT SESSION OF CONGRESS THERE WAS A "DISGUSTING DISPLAY OF POLITICS AT THE EXPENSE OF HUMAN MISERY."

IN ADDITION TO THE "BOLD EFFORTS OF THOSE SELFISH FOR POLITICAL GAIN," HE SAID, CONGRESS "FOUND AN ADMINISTRATION THAT WAS SO CONFUSED BY THE PROBLEM OF INFLATIONARY TRENDS THAT IT HINDERED RATHER THAN HELPED SOLVE THE PROBLEM."

DEMOCRATS, HE SAID, PRESENTED NO ECONOMIC CONTROL LEGISLATION UNTIL THREE DAYS BEFORE THE SESSION ENDED AND SOUTH TO BLOCK ACTION ON REPUBLICAN MEASURES.

CAPEHART SAID DEMOCRATS WERE "PREPARED TO SABOTAGE ANY AND ALL ANTI-INFLATIONARY MEASURES WHICH DID NOT GIVE PRESIDENT TRUMAN THE DICTATORIAL POWERS HE HELD AT THE CLOSE OF THE WAR."

ON THE OTHER HAND, CAPEHART SAID, REPUBLICANS MADE IT PLAN "WE WERE GOING TO DO OUR BEST TO GIVE THE AMERICAN PEOPLE SOMETHING ELSE BESIDES A SHARE IN SCARCITIES."

(END ADVANCE FOR USE AT 5:15 PM EST, TODAY, SATURDAY DEC 20)

PF313PES NM

SPOKANE, DEC. 20-(AP)-A B-29 BASED AT THE SPOKANE AIR FIELD THURSDAY COMPLETED A 4,539-MILE TOUR OF THE COUNTRY IN 22 HOURS AND 50 MINUTES, THE AIR FORCE SAID TODAY.

COL.ALBERT J.SHOWER, COMMANDING OFFICE OF THE 92ND BOMB WING, SAID THE FLIGHT SET A NEW UNOFFICIAL LONG DISTANCE RECORD FOR COMBAT EQUIPPED B-29 BOMBERS. PREVIOUS RECORD WAS ANOT REPORTED.

THE BIG BOMBER, CARRYING A FULL COMBAT CREW OF 11 MEN, TOOK OFF AT DENVER WEDNESDAY AFTERNOON AND FLEW OVER OMAHA, NEB.; COLUMBUS, OHIO; NASHVILLE, TENN.; JACKSONVILLE, FLA.; FORT WORTH, TEXAS; BACK OVER OMAHA, KANSAS CITY, AND LANDED AT DENVER.

GM755PCS NM

DEC 1947

SAN FRANCISCO,DEC.20-(AP)-MRS. ANUNCION PEREZ, COMMISSIONER OF SOCIAL WELFARE OF THE PHILIPPINES, ARRIVED TODAY ON HER WAY TO STUDY FATHER FLANAGAN'S BOYSTOWN NEAR OMAHA,NEB.

SHE TOLD INTERVIEWERS, "WE ARE STARTING ONE (BOYSTOWN) LIKE IT NEAR MANILA....TO START WITH WE'LL BE ABLE TO CARE FOR ABOUT 400 BOYS. LATER ON WE WILL HAVE A PROGRAM IN THE PROVINCES LIKE LEYTE WHERE THERE WAS MUCH FIGHTING AND CONDITIONS ARE BAD."

SHE IS THE WIDOW OF CIRILO B.PEREZ, PREWAR CHIEF OF THE SCIENTIFIC LIBRARY OF THE BUREAU OF SCIENCE. BOTH STUDIED AT THE UNIVERSITY OF WISCONSIN. BOTH WERE IN PHILIPPINE GUERRILLA FORCES DURING THE WAR AND WERE CAPTURED BY THE JAPANESE. HE WAS KILLED.

MRS. PEREZ WILL SPEND THE CHRISTMAS HOLIDAYS WITH TWO SONS HERE AND GO TO NEW YORK TO MEET WITH UNITED NATIONS SOCIAL WORKERS BEFORE GOING TO OMAHA.

DJ817PCS NM

DEC 1947

NIGHT LEAD ATOMIC CONFERENCE (340)

BY HOWARD W.BLAKESLEE
ASSOCIATED PRESS SCIENCE EDITOR

AUBURN, ALA., DEC 20-(AP)-THE ATOMIC ENERGY USED FOR AGRICULTURE, SUBJECT OF THE FIRST SCIENTIFIC CONFERENCE ON ATOMIC FARMING FOR THE LAST THREE DAYS AT THE ALABAMA POLYTECHNIC INSTITUTE, IS SIMPLY AN EXTENSION OF CHEMISTRY IN AGRICULTURE.

THE RADIOACTIVE ATOMS, FROM THE OAK RIDGE, TENN., ATOMIC OVEN, ENABLE THE SOIL AND THE PLANT CHEMISTS TO GO MUCH FURTHER IN CHEMICAL ANALYSIS. FOR SOME PURPOSES THE RADIOACTIVE ATOMS ARE A CHEMICAL PROCESS A MILLION TIMES MORE SENSITIVE THAN PREVIOUS METHODS. BUT ORDINARY CHEMISTRY WILL NOT BE ABANDONED.

CHEMISTRY HAS BEEN THE BASIS OF THE GREAT AGRICULTURE PROGRESS OF THE UNITED STATES FOR NEARLY A CENTURY. THE CHEMICAL DISCOVERIES WERE UNSPECTACULAR, AND OFTEN TOOK YEARS TO APPLY. THE NEW RADIO ACTIVE CHEMISTRY IS IN THE SAME CLASS.

MANY NEW IDEAS ALREADY DISCOVERED IN ONE YEAR'S RADIOACTIVE CHEMISTRY, BY A FEW DOZEN SCIENTISTS, WERE REPORTED AT THE AUBURN MEETING.

DEC 1947

THE SPEED WAS ILLUSTRATED WHEN DR.RALPH D.DRAUGHON, ACTING PRESIDENT OF ALABAMA POLYTECHNIC INSTITUTE, IN OPENING THE MEETING ON WEDNESDAY, QUOTED THE LINES:

"I HAVE NEVER SEEN A PURPLE COW, AND I NEVER HOPE TO SEE ONE."

LAST NIGHT AT A SCIENTIFIC SESSION, DR.GEORGE K.DAVIS, OF THE FLORIDA AGRICULTURAL EXPERIMENT STATION, AT GAINESVILLE, REMINDED THE AUDIENCE, WHICH INCLUDED DR.DRAUGHON, OF THE LINES AND SAID:

"TONIGHT HE IS GOING TO SEE A PURPLE COW."

DR.DAVIS SHOWED THIS COW IN COLORED MOVIES, A BLACK COW THAT HAD FADED TO LAVENDER, DUE TO ONE OF THE [illegible] DISEASES, WHICH APPEARS IN THOSE PARTS OF THE UNITED STATES WITH MUCK SOIL, WHICH LACKS COPPER.

RADIOACTIVE ATOMS HELPED SOLVE THE FLORIDA PUZZLE OF THIS AND OTHER COWS GRAZING ON LUSH FLORIDA EVERLGADE MUCKLANDS. ALL THE CATTLE CHANGED COLOR A LITTLE, BUT ONLY ONE WAS PURPLE. DR.C.L.COMAR, OF THE FLORIDA STATION ALSO REPORTED ON THIS ATOMIC STUDY.

THE COW'S BONES BECAME SO FRAGILE THAT THEY BROKE WHILE THE ANIMALS WERE STILL LIVING, DUE TO NO COPPER IN THE SOIL AND CONSEQUENTLY IN THE GRASS THAT THEY ATE. THE ANIMALS BECAME LIVING SKELETONS. ADDING COPPER TO THEIR DIET CHANGED THEM IN A FEW WEEKS TO FAT, HEALTHY-LOOKING BEASTS.

WHEN COPPER WAS ADDED TO THE FERTILIZER OF THE SOIL THE CATTLE ALSO RECOVERED.

SOME MIAMI RACE TRACK FOALS THAT BECAME LAME WERE FOUND BY THE FLORIDA MEN TO BE SUFFERING IN LESS DEGREE, FROM THE SAME COPPER DEFICIENCY. THESE VALUABLE ANIM

DEC 1947

SOME MIAMI RACE TRACK FOALS THAT BECAME LAME WERE FOUND BY THE FLORIDA MEN TO BE SUFFERING IN LESS DEGREE, FROM THE SAME COPPER DEFICIENCY. THESE VALUABLE ANIMALS WERE LIVING ON ALFALFA IMPORTED FROM ILLINOIS. COPPER CURED THE HORSES.

MT649PES

END DEC 20, 1947

30.24- 14895

Red Bloc Becoming More Solid

London, Dec. 21 (AP)—The "Red belt" states of Europe are moving into a fairly solid bloc to contend for Communist domination of the Continent. Under Russian direction the states of eastern Europe seem bent on standardizing their programs to resist western bids for leadership. GAVSHON N

These conclusions can be drawn tonight from interviews with men in both the eastern and western "worlds"—Foreign Ministers, ambassadors and officials who help to shape the foreign policies of a half dozen countries. They talked with the understanding their names would not be used.

Shift In Foreign Policies Seen

These men see as "near certainties" early in 1948:

Eastern and western states will revamp their foreign polices in the light of the situation in Germany, where a state of informal partition now exists. This may lead to a series of new regional defense alliances, not only to guard against new aggression by Germany but also to provide for mutual aid against any aggression.

Red belt states of the Balkans will intensify the process they have already started of cementing their political and economic links with the countries of the Danube basin.

With federal union of Yugoslavia, Bulgaria, Albania, Romania and Hungary as a possible long-term objective, the sources said, all these states immediately will aim at writing mutual aid pacts, interlocking treaties of friendship, progressive elimination of trade and tariff barriers, and co-ordination of their respective national economic recovery plans.

"A New Great Power"

In this connection, one European Foreign Minister said: "tightened political and economic ties between these Communist-led countries will unite 80,000,000 to 90,000,000 people and in effect will mean that a new great power has arisen in Europe."

A clearcut eastern European recovery program, under Russian leadership, is likely. Its objective will be to outstrip the Marshall plan and so to gain the political whiphand over Europe.

A British official recalled that the report of the sixteen-nation Paris conference urged greatly increased trade between east and west Europe to bolster the Marshall plan. He added:

"It is possible that the Danube could become a river closed to the west and the great land mass within the triangle formed by the Adriatic, Black and Baltic seas—from every point of view the richest in the world—grafted onto the body politic and economic of the Soviet Union. Therein lies the greatest menace to the Marshall plan."

New Battle For Berlin

A sequel to the split in the Conference of Foreign Ministers is likely to be a political battle for Berlin. British sources say formation of a west German government may be followed by creation of a Russian-sponsored "Central German Administration," based in Berlin. There would be greater "spiritual appeal" to the German people in such a body than its rival in Frankfurt could offer, they said.

The British Labor party, following similar action by the French and Italian governments, has touched off a political offensive against the influence of Communists in this country.

Sabotage Campaign Expected

Arthur Deakin, general secretary of the powerful Transport and General Workers Union, said last week Communist "interference" in Britain's trade unions no longer could be tolerated. Today Morgan Phillips, general secretary of the Labor party, predicted that Britain's Communists soon will open "a campaign of sabotage against the Labor Government."

"The British Communist party has come to heel," Phillips said in a statement. "After some weeks of indecision, it has now pledged full support for the Cominform's 'cold war' against democratic socialism."

Phillips added that "in recent years the Communists have gained an influence inside certain trade unions out of all proportion to their real strength."

AID PLAN MEANS WAR, SAYS SOVIET

DEC 1947

Statements By Truman And Marshall Discussed

London, *Monday*, Dec. 22 (AP)—The Moscow radio, making its first comment early today on President Truman's message to Congress Friday, said "the essence" of the Marshall plan is "war."

Combining its commentary on the presidential message with a discussion of the address of Gen. George C. Marshall, Secretary of State, the same day on the failure of the London conference of Foreign Ministers, the Moscow broadcast said:

"When the United States announces a four-year program of expenditure to revive Germany's heavy industry, her war potential, one recalls another four-year program for the development of German economy: The notorious plan of Goering and Hitler.

Points To Schacht

"The plan was adopted in 1936 to prepare the German war machine for the second world war and (Hjalmar) Schacht was the financial head behind that plan, too. Now we see another four-year plan for so-called aid to Europe and again the sinister figure of Schacht. The essence of the two plans is the same—war."

The broadcast said that "at the London conference, Marshall denied that the United States intended to join the French zone" to the combined American-British occupation zones.

Wall Street Mentioned

"But on returning to Washington," the broadcast continued, "he admitted in his very first radio speech that the economic program already mapped out by American monopolies is to be carried out in western Germany—a program affecting exports and imports and imposing on Germany heavy financial obligations to Wall street banks. So, the dismemberment of Germany, the detachment of her western regions and their conversion into a colony of American monopolies, far from being denied, is now confirmed by United States officials."

HITLER WARNED OF LOSS IN '44

Told By Von Kluge And Rommel That Front Would Break

London, Dec. 21 (AP)—German commanders warned Adolf Hitler of defeat in the West within six weeks after the Allied armies landed on June 6, 1944, German army documents made public tonight by the British War Office disclosed. N

On July 22 Field Marshal Guenther von Kluge, who had taken over command of German troops on the invasion front from Field Marshal Erwin Rommel, reported to Hitler:

"The moment has drawn near when this front—already so heavily strained—will break. And once the enemy is in open country an orderly command will hardly be practicable with the insufficient mobility of our troops.

"Annihilating Effect"

"There is no way by which, in the face of the enemy air force's complete command, we can find a strategy which will counterbalance its actually annihilating effect without giving up the field of battle.

"I came here with the fixed determination of making effective your order to stand fast at any price. But when one has to see by experience that this price must be paid by the slow but sure annihilation of the force . . . anxiety about the immediate future of this front is only too well justified."

"Position Becoming More Difficult"

Von Kluge enclosed with his report a gloomy one from Rommel dated July 15, just two days before Rommel—according to German accounts—was critically injured when Allied planes bombed his automobile.

Rommel reported: "The position on the front in Normandy is becoming more difficult daily and is approaching a serious crisis. Owing to the intensity of the fighting, the exceptionally strong supplies of materiel of our foe, especially in artillery and armored vehicles, and the effect of their air force, which commands the battlefield unchecked, our own losses are so high that the fighting strength of the division is sinking very rapidly.

"As the fighting has shown, even the bravest unit is shattered bit by bit through the supplies of materiel possessed by the enemy."

Rommel concluded: "The unequal combat is nearing its end. It is in my opinion necessary to draw the appropriate conclusions from this situation. I feel it my duty as *Oberbefehlshaber* (commander in chief) of the army group to express this clearly."

On July 24 the headquarters staff of German Army Group B reported that German losses from June 6 to July 23 totaled 116,863 men, including ten generals, eight general staff officers and 152 commanders.

DEC 1947

Bulgaria Ratifies Albanian Pact

LONDON, Dec. 21 (AP).—The Moscow radio said tonight the presidium of the Bulgarian Grand National Assembly had ratified the treaty of friendship, co-operation and mutual aid with Albania signed Dec. 16.

Rundstedt Gets Holiday Leave

BRIDGEND, Wales, Dec. 21 (AP).—Field Marshal Karl Rudolf Gerd von Rundstedt, former commander of all German forces on the Western Front, left a prisoner of war camp here today en route to Hannover, Germany. He has a special eight-day leave to pass Christmas with his son, who is gravely ill in a German hospital.

FRENCH ARGUE '48 TAX PLAN

Assembly Debates Government's 'Austerity Program'

Paris, Dec. 21 (AP)—The National Assembly debated a proposed 1948 tax schedule, part of the Government's "austerity program," tonight after rebuffing a Communist effort to end the discussion. N

The austerity measures, already approved by the Finance Committee, are intended to stop inflation. The tax schedule, calling for new income and property levies, is designed to balance the budget next year in line with the Marshall plan.

René Mayer, Minister of Economics, has estimated it would bring in an additional 150,000,000,000 francs (about $1,250,000,000).

Mendes-France Backs Plan

The tax program received powerful support in the debate from Pierre Mendes-France, financial expert of the Radical Socialist party. Mendes-France, former French representative at international banking conferences, has great influence in financial matters on the Assembly's Right Wing.

Some observers believed passage of the tax plan by Christmas was foreshadowed by defeat of the Communist attempt to stop its discussion.

The Communist motion was voted down, 311 to 183, last night. However, the test revealed that Premier Robert Schuman's Assembly majority had lost some of its strength, as followers of Gen. Charles de Gaulle abstained from balloting.

Introduces Motion

René Capitant, spokesman for de Gaulle's Rally of the French People (RPF), said Schuman's Cabinet had neither the confidence of the Assembly nor of the country. He introduced a motion calling for a general election, but a parliamentary technicality prevented this motion from being put to an immediate vote.

The Rally, a new political organization, won the recent French municipal elections but has not had a chance to demonstrate its strength in a national election.

Jacques Duclos, Communist secretary, said the "austerity program" would place the heaviest load on the working classes. He attacked the United States and said the Marshall plan for European recovery would infringe on French sovereignty.

ITALIAN FOOD WORKERS END SHORT STRIKE

DEC 1947

Walkout By 300,000 Settled Less Than 48 Hours After Start

McKNIGHT

Rome, Dec. 21 (AP)—A Nationwide strike of some 300,000 food workers was settled tonight less than 48 hours after it had begun—assuring Italians that food stores would be open for Christmas provisioning.

The office of the Labor Minister, Amintore Fanfani, said the workers—in stores, flour mills, spaghetti factories and similar establishments—had agreed to go back to their jobs on a promise of increases in wages and severance pay. N

The announcement said the agreement was reached today in a conference of Fanfani with employers and representatives of the Communist-dominated General Confederation of Labor, lasting almost all day.

Campaign Of Pressure

The strike will end officially tonight, the announcement stated. It started yesterday.

The walkout was one of a series called by Leftist-led labor in what has been interpreted as a campaign of pressure on Premier Alcide de Gasperi's middle-of-the-road Government.

Speaking today in Avezzano in central Italy, Pietro Nenni told a gathering of his pro-Communist Socialists, "the Truman doctrine tends to make the Mediterranean countries an outpost of the conflict between East and West."

"If Italy yields to this policy," he said, "she will become the battleground of a third world war."

He said his party's position on the Marshall plan was "critical, not negative."

"Came Out With Few Losses"

"American aid is natural because the United States came out of the war with few losses and an intact economic potential," Nenni declared.

He added it was too early to determine the relative advantages and disadvantages of the plan.

Elsewhere, the Leftists, having demonstrated their control over partisans and industrial workers, sponsored a meeting of peasants and farm workers' associations in Bologna, to show the Government their agrarian strength.

"Auto-Government" Sought

The meeting was called by the Communists and pro-Communist Socialists to work out a national program of agricultural reforms. De Gasperi's own Democratic Christian party, the Republicans and Giuseppe Saragat's anti-Communist Socialists boycotted the meeting.

L'Unita, Communist newspaper, and *Avanti*, Socialist organ, had said at least 5,000 delegates were expected.

Nenni, writing in *Avanti*, said the meeting was another step toward achieving "auto-government" of the workers, peasants and intellectuals.

Meanwhile, Leftist-led labor's steady pressure for greater benefits continued, with some observers predicting it may threaten the success of the anti-inflation budget of Vice Premier Luigi Einaudi.

Discussing Strike Possibilities

The national unions of streetcar company employés and metal workers are talking about a possible strike after deadlocking with employers over demands for more pay. The journalists of central and southern Italy again renewed their strike threat.

At Florence, where workers occupied a shoe factory last week to protest layoffs, two garment factories were taken over for the same purpose.

Students at Perugia shut themselves up within the famed university there to protest regulations for approaching examinations.

Cites Various Meetings

Nenni's articles in *Avanti* have been the frankest avowals of the Left's primarily political purposes in agitation begun November 12.

He said that the Milan meeting of labor's "Councils of Management" in factories, last week's Congress of Southern Italian Leftists at Naples, the Bologna meeting, and the forthcoming convention of Communist and Socialist mayors at Florence are all steps to set up a government outside the Government.

"If there is in the spring, as we expect, a democratic government of the people and for the people," he said, "this will find in the organisms arising out of these congresses . . . instruments to realize a great structural reform.

"In the face of the present Government or an analogous one, these organisms are destined to assume a function of auto-government to substitute for the wanting initiative from above an initiative from below."

9 Hurt As Grenades Hit Trieste Communist Club

Trieste, Dec. 21 (AP)—Four grenades were thrown today at persons leaving a pro-Yugoslav meeting in a Communist club. Nine were injured, none severely.

No arrests were reported. The attackers have not been identified. The incident was the third this month in which grenades have been used against Communist clubs. No injuries resulted from the other two.

Meanwhile, tension mounted amid prospects for negotiations toward selection of a civilian governor to head the free territory under United Nations supervision.

The United Nations Security Council has given Italians and Yugoslavs until January 5 to agree on a governor, but there is little expectation in Allied Military Government, pro-Italian and pro-Yugoslav quarters that an agreement will be reached by then.

The pro-Italian Giornale di Trieste said Trieste people would rather wait than hurry into a bad choice.

An AMG source declared pro-Yugoslavs, in anxiety to get rid of the present military government, might accept an Italian or western candidate.

Bidault Lauds Marshall As 'European Minded'

BRUSSELS, Dec. 21 (AP).—Georges Bidault, French Foreign Minister, hailed Secretary of State George C. Marshall as a "European-minded statesman" in a speech on "Europe's future" tonight under the auspices of the Brussels Catholic Conference.

"The Marshal plan," Mr. Bidault said, "is a spontaneous and noble endeavor of the American Secretary of State and there is no European government which does not know that it is impossible for Europe to do without United States help."

American aid, he said, is one of four main phases of Europe's problem today, the others being the future of Germany, the survival of Great Britain and the attitude of Russia.

On Russia Mr. Bidault confined himself to quoting from the French philosopher Montesquieu: "Russia seems to be more intent on frightening Europe than conquering it."

SAAR PREMIER MAKES APPEAL

Urges U.S., Britain To Approve Union With France

DEC 2 1947

Saarbruecken, Germany, Dec. 21 (AP)—Dr. Johannes Hoffmann, who has been elected first Premier of the Saar, said last night he hoped for earliest possible formal approval by the United States and Britain of economic union of the Saar and France.

In October the Saarlanders elected a 50-member Parliament (Landtag) pledged to make their coal and industrial basin an economic part of France. Monday it elected Hoffmann, 57, editor of the *Saarlandische Volkszeitung*, Premier. He is the leader of the Christian People's party.

Wants To Build A Bridge

Interviewed in the remains of his bomb-wrecked newspaper plant, the new Premier said:

"We want an economic union with France for three reasons. First, we must have it to feed our people. Most of the food for the Saar, particularly milk and vegetables, has always come from Alsace and Lorraine.

"Second, we want to build a little bridge between France and Germany opening to the way to mutual understanding between two traditional enemies.

"Third, by an open and honest co-operation between the Saar and France, we want to set an example of how Europe should be reconstructed on a plan eliminating bitter and conflicting nationalisms. We want our example to be a step toward the United States of Europe."

Ice-Cream Ship's Cargo Saved For German Children

Bremerhaven, Germany, Dec. 21 (AP)—Christmas ice cream for more than 100,000 German children was rescued from melting on the United States Army transport E. B. Alexander, which arrived today.

The ice cream was purchased with part of a $24,000 fund raised by Americans in this area to provide 250 Christmas parties for German children.

The Alexander's refrigeration system broke down while she was en route from the United States. Seamen diverted cold water from the ship's water-cooling system into the refrigeration pipes and kept the ice-cream bricks from melting too much.

On arrival, the cargo was rushed to a refrigeration plant.

Statue Returning to Italy

Angel of Monte Cassino Was Found Among Goering's Loot

FRANKFURT AM MAIN, Dec. 21 (AP).—The Angel of Monte Cassino, a three-foot wooden statue which adorned the abbey's main altar, is returning to Italy.

Rudolfo Siviero, chief of the Italian fine arts mission in Germany, said the Germans took the statue in 1944 before Allied bombs devastated the abbey. It was found among Herman Goering's artistic loot. Mr. Siviero said the angel has little artistic value but "is a high moral symbol." The statue will be presented to Pope Pius XII this week.

7 Yugoslav Friars Get Forced Labor

Belgrade, Yugoslavia, Dec. 21 (AP). The Communist newspaper *Borba* reported today the sentencing of seven friars to forced labor for terms ranging from six months to six years on charges of engaging in acts against the Tito Government.

They were accused of organizing an underground railroad for escape of "Ustashi and Chetnik war criminals" and for collecting political and economic information for foreign powers, *Borba* said.

Sister Brigita Dvorak, who was similarly charged, was set free.

Borba said that Brother Tavchar, parochial priest near Ljubljana and one of the principal defendants, was in close contact in 1945 with Friar Modesto Martinic, of Zagreb, one of the codefendants in the trial of Archbishop Stepinac. The archbishop in 1946 was sentenced to sixteen years in prison, on charges of collaborating with the Nazis.

The defendants were charged with establishing a railroad underground station near Postojna, a border town, and assisting "war criminals" in getting into Austria. *Borba* said the defendants admitted their guilt but contended they did not know the persons involved were "war criminals."

Greek Rebels Slay 3 Priests

ATHENS, Dec. 21 (AP).—The Greek press said today that three priests and a layman were abducted by guerrillas and that their bodies were later found in Macedonia.

STALIN POLLS '100 PER CENT'

Local Soviet Elections Mark Premier's 68th Birthday

THOS. WHITNEY

Moscow, Dec. 21 (AP)—Voters in five of the Soviet Union's sixteen republics chose representatives today for local governmental bodies. The elections coincided with the sixty-eighth birthday of Prime Minister Stalin.

Stalin was a candidate for election to the Moscow Municipal Soviet. In accord with the practice of the last few years he issued no statement and there was no public birthday celebration.

Many voters went to Stalin's district to cast ballots for him. [The Moscow radio, heard in London, said that in five hours 100 per cent of the electors in Stalin's district had voted for him].

Picture But No Comment

Moscow newspapers carried Stalin's picture on Page 1 today but had no comment on his birthday. He returned recently from his third vacation in southern Russia since the war's end, and persons who have seen him say he looks rested.

In addition to the names of Stalin and other national leaders on the ballot, there were thousands of other nominees put up by the "bloc Communists and nonparty citizens."

[There is no opposing ticket. Names of nonparty citizens are approved by the Communists. Scratching a candidate's name off the ballot is the only method by which a voter can indicate opposition.]

11 Other Republics Vote Later

All stores, with the exception of bread shops, were closed for the elections in the Russian Soviet Federated Socialist Ukrainian, Moldavian, Armenian and Karelian-Finnish republics. The eleven other republics in the Soviet Union will hold elections in January and February to complete the filling of 1,600,000 seats in local governmental bodies.

In Moscow, flags and decorations were in evidence, and loudspeakers filled the public squares with music to contribute to a holiday spirit.

Soviet 'Speculator' Jailed

MOSCOW, Dec. 21 (AP).—The labor union newspaper "Trud" tells of one Soviet citizen who had 430,000 rubles' worth of bonds to convert in the ruble revaluation ordered last week. At the official rate, this is equivalent to $81,700. "Trud" says the man, V. P. Alexeev, confessed to buying up the bonds at niggardly prices, and adds that he has been turned over to a court for trial, presumably as a speculator.

DEC 1947

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MOSCOW, Dec. 21 (AP)—President Truman's message to Congress last Friday asking $17,000,000,000 for the Marshall plan got minor treatment today in its first mention in the Soviet press. Pravda printed nothing, and Trud carried sixteen lines.

Izvestia published a Tass dispatch saying that Mr. Truman concealed "the imperialist essence of the Marshall plan behind manyworded qualifications and formulas." The President was quoted to the effect Americans must not close their eyes to the fact that Communists have declared decisive opposition to any attempt to help Europe on to its feet.

Political Anxiety Signs Now Noted In Turkey

Istanbul, Dec. 21 (AP)—Signs of anxiety are apparent in governmental circles over political developments both south and north of Turkey.

While no official word was forthcoming on Turkey's reaction to the series of friendship pacts negotiated by Marshall Tito in the Balkans, developments there were being closely watched. Yugoslavia has negotiated twenty-year mutual assistance pacts with Bulgaria, Romania, Hungary and Albania.

The Jewish-Arab strife in Palestine was also getting close attention. Turkey voted against partition in the United Nations, but has maintained a "hands-off" policy on the Holy Land since then, even to the extent of refusing newsmen permission to approach two Jewish refugee ships expected to pass through the Bosphorus from Constanta.

Some observers say one of Turkey's greatest fears in the Middle East crisis is that it might provide the opportunity for Russia to send troops to Palestine to "preserve order," thus sandwiching Turkey from north and south by Soviet forces.

Chennault Of Flying Tigers Fame Takes A Chinese Bride

1947 DEC

Shanghai, Dec. 21 (AP)—Claire L. Chennault, 57, who won wartime fame as major general commanding the Flying Tigers and the United States 14th Air Force, was married today to Miss Anna Chan, 24, reporter for the Chinese Central News Agency.

The ceremony was performed at Chennault's home in a Shanghai suburb, with a minimum of publicity, only a few close friends were invited.

Chennault was divorced from his American wife eighteen months ago.

Sister Nurse For Flyers

The bride was attended by her sister, Cynthia, who was a nurse for the Flying Tigers in Kunming during the war, and through whom the couple first met at that time.

The bride's father is Dr. Y. W. Chan, former consul at San Francisco, recently appointed consul at Kuching, Sarawak. Her stepmother and Dr. George Yeh, Chinese Vice Minister of Foreign Affairs, were among the guests.

Chennault's best man was Col. Thomas C. Jeffrey, a former Flying Tiger.

The bride wore a white silk wedding gown and a veil, while the bridegroom wore his air force dress uniform.

Although acquainted since the war years, the couple first began to be seen together about a year ago. The bride, a modish dresser who speaks fluent English, accompanied Chennault on the maiden flight last year of the Chinese Relief Administration Air Transport Service, which he heads.

The flyer, who has told friends he hopes to spend the remainder of his life in China, is seeking a commercial license for his airline when its present relief functions end December 31.

Chennault, 57, was divorced in July, 1946, by his first wife, to whom he was married in 1911. They had eight children, five of them sons who served during the recent war.

Highly Publicized Career

When the divorce came to light last December 17 at St. Joseph, La., both Chennault and his wife declined comment, except that he replied "No, no" when asked if he intended to remarry.

Chennault has had an unusual and highly publicized career as an airman.

As one of America's early-bird aviators he won the Distinguished Service Medal in the first World War. Afterward, as commandant of the 19th Pursuit Group in Hawaii, he conducted extensive studies in aerial combat tactics and in 1926 demonstrated the use of parachute troops.

Was Adviser To Chiang

Retiring from the Army in 1937 with the rank of major, Chennault came to China, where he became air adviser to Generalissimo Chiang Kai-shek in the war against Japan.

Early in 1941 he organized the American Volunteer Group, made up largely of American service flyers. Nicknamed the "Flying Tigers" by the Chinese, they quickly won wide acclaim for protecting the Burma road against Japanese raiders.

After the United States entered the war, this group was integrated into the American Army, Navy and Marine air forces and Chennault was named commandant of the new United States 14th Air Force with the rank of brigadier general. He was promoted to major general in 1943.

Operator Of Airline

Shortly after the Japanese surrender, Chennault resigned his commission in September, 1945, and organized an airline to fly UNRRA supplies in China.

With his home and headquarters in Shanghai, he has operated this venture since.

Only twelve days ago he was awarded the United States Navy Distinguished Service Medal for "exceptionally meritorious service as commanding general of the 14th Air Force. He also holds a number of decorations from the Chinese Government.

China Communists' New Drive

Shanghai, *Monday*, Dec. 22 (AP)—Gen. Lin Paio's Chinese Communist troops, defying marrow-chilling cold, appear to have embarked in earnest on their seventh general offensive in Manchuria.

A Mukden dispatch said the Communists were placing Kaiyuan, 55 miles northeast of Government-held Mukden, under attack while that big south Manchurian city itself was menaced by forces 5 miles away. Rodenela

Reports from Peiping said other Communist forces continued to attack the Peiping-Mukden railway in the Shanhaikwan (Linyu) area near the Great Wall.

Two months ago, Government sources were saying that a Manchurian offensive could not be mounted because of the severe winter weather in which the mercury often plunges as low as 35 degrees below zero.

Overlook Past Drives

Such armchair strategists overlook the fact that the Japanese conquered Manchuria fifteen years ago in mid-winter and that the Communists during the past year have done some of their most effective fighting in wintry weather.

To fight effectively in Manchuria in the winter requires warm clothes, adequate food and high morale. The Communists appear to have all three, but both the Nationalists and the Communists seem certain to lose hundreds of men from exposure. More hundreds will be incapacitated as hands freeze to gun barrels and ears and feet turn blue.

Winter offers one advantage. Manchuria has few good military roads but, after the ice forms a solid floor on the broad rivers, new avenues of communication are open.

Chiang's Message

DEC 1947

Nanking, Dec. 21 (AP)—Generalissimo Chiang Kai-shek, in a Christmas message to the nation broadcast over the Shanghai radio, declared today:

"When we look at the present world situation through the lens of Christian faith, much which is obscure and confused becomes clearer.

"We realize that even suffering has its part in the slow process of national self-realization. In the midst of all the privations which China is suffering today, we are strengthened by the knowledge that these trials, if manfully faced, will lead to ultimate self-renewal."

Chiang and his wife are Methodists, though most of China is non-Christian.

Recalls Christ's Sufferings

The Chinese leader recalled Christ's sufferings and stated, "in China during the past few years we have known to the dregs of the bitter cup the meaning of national sorrow.

"We have suffered inestimable losses due to war and internal rebellion. We have known misrepresentation and cruel slander in its blackest form. Our motives have been misrepresented and our faults distorted beyond all sense of reality.

"Our Government and public servants have been held up to the pillory of abuse in propaganda of those traitorous and Communist elements who seek to destroy free China."

Dreams Of A Better World

Continuing, the Chinese Government leader declared, "all Christians, whether in China or elsewhere, are sorely distressed at the wave of dissillusionment and the moral let-down which have followed the war.

"The bright dreams of a better world, which sustained man in his hour of trial, have faded. Men everywhere are asking what can be done to realize the universal longing for peace."

Christianity, he asserted, points the way to an answer, as "transformation of the world must take place in men's hearts."

2 Chinese Parties Get Seats In Yuan

1947 DEC

Nanking, Dec. 21 (AP)—An official of the Kuomintang (China's ruling party) reported today that an agreement had been reached with the Young China and Democratic Socialist minority parties for division of seats in the Legislative Yuan.

Under the plan, the Kuomintang will not oppose the minorities in enough districts to give them 75 seats each out of the legislative Yuan's total of 775.

Election of the Legislative Yuan, postponed once because of a dispute over this question, will be held January 21-22-23, this official said.

Well-informed political sources predicted that Sun Fo would retain presidency of the Legislative Yuan but would give up the vice presidency of the National Government. Slated for this job, they said, was the bearded Yu Yu-jen, elder statesman now president of the Control Yuan.

Some said the aim was to "kick Yu upstairs" so a more active man could head the Control Yuan, which is responsible for investigation of official irregularities.

TOGO SAYS HE WROTE REPLY TO ROOSEVELT

TOKYO, Monday, Dec. 22 (AP)—Former Foreign Minister Shigenori Togo admitted under cross-examination today at the war crimes trials that he and Premier Hideki Tojo already had prepared a reply for the Emperor rejecting President Roosevelt's last-minute plea for peace before the President's message was conveyed to Hirohito.

Togo also admitted that he had by-passed a fellow-defendant, Marquis Koichi Kido, merely telling the Emperor's political advisor the contents of the Roosevelt message before entering the chamber for an audience with the Emperor.

Chief Prosecutor Joseph B. Keenan asked Togo if "you are indicating the Emperor of Japan was a mere figurehead and the obtaining of his consent a rubber stamp to be put on by you * * *"

"I have not spoken at all with regard to the position of the Emperor," Togo replied.

Togo said he did not read to Tojo the entire text of President Roosevelt's message before carrying it to the Emperor but "gave Tojo enough to enable him to make a decision."

PALESTINE CLASHES ARE FATAL TO 10

Hagana Calls On Arabs To Help Restore Order In Holy Land

DEC 1947

Jerusalem, Dec. 21 (AP)—Ten persons died in gun and knife attacks today as communal fighting flared along the roads of Palestine and in the upper Galilee area near the borders of Syria and Lebanon.

Hagana, the Jewish militia, called on Arabs to help bring order back to the Holy Land and also minimized Arab claims that thousands of volunteers were training for guerrilla warfare against Zionists. A state of "complete anarchy" exists in Arab areas of the Holy Land, Hagana contended.

Shooting continued for the third straight day in upper Galilee where Arabs and Jews fought in the town of Safad. One Arab was killed and three Arabs and two Jews were wounded there.

Gun Positions Found

The town, which has a mixed Arab-Jewish population, was placed under a curfew until further notice. An official report said "prepared gun positions" were found in both the Arab and Jewish sectors.

Since the United Nations voted for Palestine partition on November 29 a total of 300 persons have been killed in Palestine and 421

throughout the Middle East, an Associated Press count showed.

Fighting today occurred in various trouble spots throughout the length of Palestine. In the south two Jews were stabbed to death near the village of Yazur. An official account said an oil truck in which they were riding was stopped "by a number of men alleged to be Arabs and set on fire."

Gunfire Riddles Bus

Between 15 and 20 men wearing the uniforms of temporary constables of the Palestine police force riddled an Arab bus with gunfire on the Ramalah-Er-Ramle road northwest of Jerusalem. The three occupants of the bus were killed.

Shortly after the two Jews were killed near Yazur, an Arab was slain there in a gun fight between Arab bands and a Jewish truck convoy. Three Arabs and five Jewish settlement policemen were wounded.

A British Army wireless operator was wounded when an Arab band attacked two armored cars with machine guns near Tulkurm.

Four youths wounded a British lieutenant and a sergeant major on King George street in the center of Jerusalem. The attackers escaped. The Britons were members of the Lifeguards, an English royal household cavalry regiment.

Jews Say Arabs Began Fight

Jewish sources said the fighting in Safad broke out when Arab snipers fired on a Jewish observation post near the town hospital. Arab warriors fought a battle with a Jewish convoy in the same general area last night after Jewish fighters the previous day had bombed the border village of Khisas, killing ten Arabs.

The Arabs have been reported massing volunteers in Syria and Lebanon near the upper Galilee region. A Hagana spokesman in Tel Aviv however, called "highly exaggerated" Arab claims that "thousands of Arab volunteers" were going to Syria and Lebanon for guerrilla warfare training.

Claims British-Arab Pact

"According to the information we have they are not going in the thousands, not even in hundreds but in dozens only," the spokesman said. "We have a list proving that from Jaffa only 50 left. Some already have returned saying the food was bad and that they had been treated by their trainers like 'Colonial troops.' "

Asserting that a "state of complete anarchy" exists in the Arab sectors of Palestine, the Jewish source also declared there was a mutual British-Arab agreement not to attack each other. Arab groups are moving freely about the country checking on identity documents of everyone, including British military patrols, the spokesman said.

Hagana distributed leaflets in Arab villages appealing for "peace, quiet and work" and denying that Jewish militiamen had any "aggressive intention."

The leaflets warned the Arabs, however, against "harboring agitators from the outside" and said "if attacks are organized from bases in your villages we have no alternative than self-defense action."

In Damascus, Syria, Fawzi Bey al Kaukji, commander of the Arab "people's army," said, "No Arab state will be constituted in Palestine until the struggle is over" and an Arab Government for all Palestine is established.

"We do not recognize Jewish and American illusions about partitioning Palestine," he said. "We are fighting an advance guard of America, because we feel that the Jews in Palestine execute the orders they receive from the States, particularly from the biggest Jewish capital in the world—which is New York."

Aquino Dies; Out on Bail As Filipino Collaborator

MANILA, Dec. 21 (AP).—Benigno S. Aquino, one of the most powerful political figures in the Philippines, died last night while awaiting trial on charges of treason for collaborating with the Japanese during the war.

Aquino was stricken with a heart attack while watching the bantamweight championship bout between Manuel Ortiz and Tirso del Rosario. He was attending as the guest of Jorge Vargas, puppet ambassador to Tokyo who also is facing treason charges.

Aquino, a man in his fifties, was several times Speaker of the Commonwealth House, served in the senate and was Secretary of the Interior under President Manuel Quezon.

When the Japanese occupied the Philippines, he became Speaker of the Japanese puppet Assembly and headed the Japanese-sponsored totalitarian Kalibapi Political Association. Arrested in Japan after the Japanese surrender, he was held in Tokyo's Sugamo prison. After he suffered a heart attack there, American authorities transferred him to Philippine custody, and he was released on $25,000 bond while awaiting trial.

DEC 1947

2 PROPOSED FOR PREMIER

Iran Parliament Equally Divided In Choice

Tehran, Iran, Dec. 21 (AP)—The Iranian Parliament tonight nominated two men, Ibrahim Hakimi and Dr. Mohammad Mosadegh, to serve as premier.

The Shah can choose either one or can ask Parliament to vote again.

Each nominee received 54 votes. Six of the 114 deputies present did not participate in the balloting.

The new premier will succeed Ahmed Qavam, who resigned after failing to win a parliamentary test of confidence December 10. Four days later dissident members of Qavam's Democrat party occupied party clubs and the editorial office and printing plant of the party's newspaper.

Oil Concessions Involved

Qavam, first chosen premier in January, 1946, headed the government during a prolonged controversy with Russia centering around the withdrawal of Soviet troops sent into Iran during the war and a proposal for Russian oil concessions.

The troops finally left Iran during United Nations consideration of the issue. Qavam then succeeded in bringing Azerbaijan province back under the authority of the central Iranian Government after it had been governed for a time by a Soviet-favored semi-autonomous regime. The province is adjacent to the Soviet Union.

Last August and again in October Qavam won votes of confidence in Parliament. That was before Parliament on October 22 declared void, over his protest, the understanding he had reached with Russia for the establishment of a joint Russian-Iranian oil company to exploit oil resources in northern Iran.

Criticized In Russia

Qavam was criticized not only in Iran but also in the Russian press for his part in the oil negotiations. Soviet newspapers said he had followed a "treacherous policy" in dealing with Russian authorities.

During the debate in Parliament preceding December 10 vote, Qavam said he did not launch the attack on Azerbaijan province earlier than December, 1946, because he hadn't "any confidence in our army's strength."

He said similar moves for semi-autonomy in Mamadan, Malayer and Mazandar provinces last spring were halted by his forces.

The newspaper *Attash* was suppressed today and its editor, Mehdi Mirasharafis, was ordered arrested. The action was taken after the newspaper said editorially that Iran faced either division into zones of influence between the big powers or "the danger of a military dictatorship" which is planning to "enslave and trample the nation."

ARAB 'STATE' PLAN GIVEN

Action Will Await Struggle to Win All Palestine, Chief Says

DAMASCUS, Syria, Dec. 21 (AP)—Fawzi Bey el Kawukji, commander of the Arab "People's Army," said today that "no Arab State will be constituted in Palestine until the struggle is over, and an Arab Government for all Palestine established.

"We do not recognize Jewish and American illusions about partitioning Palestine," said el Kawukji. "We are fighting an advance guard of America, because we feel that the Jews in Palestine execute the orders they receive from the States, particularly from the biggest Jewish capital in the world—which is New York."

Cholera Epidemic Breaks Out In Syria

Damascus, Syria, Dec. 21 (AP)—A cholera epidemic has broken out in Syria, and all infected areas were isolated today. Hundreds of physicians and medical students have volunteered to give compulsory vaccinations.

Public health authorities urged the people to be calm, advising them that carrying out medical precautions broadcast nationally is the best preventive.

A group of medical experts, sent from Cairo at the request of Syrian Premier Jamil Mardam Bey, arrived by plane to assist in organizing the anti-cholera campaign. The group, headed by Dr. Ismail Mohamed, director of Egypt's public health and epidemics department, brought 500,000 units of cholera vaccine, large quantities of D.D.T. and other supplies.

Indonesians Charge 300 Killed By Dutch

Batavia, Java, Dec. 21 (AP)—The Indonesian Republic's Ministry of Information charged tonight that more than 300 Indonesian civilians had been killed and 200 wounded in Dutch "mopping up" operations in the Krawang area, 28 miles east of Batavia.

It was announced that a third conference to form a temporary government for the new state of West Java would be held probably during the latter part of February.

Djoearsa, president of the permanent contact committee for the conference, in Bandoeng told of the plan for the new meeting as the second conference was concluded yesterday. He also said some administrative powers now held by the Dutch-appointed governor of West Java would be transferred immediately to the contact committee, but Gov. Hilman Djajadiningrat later said this statement was "premature and incorrect."

Gandhi's Famed Goat Dies

New Delhi, Dec. 21 (AP)—Mohandas Gandhi is in the market for a new goat to supply him an essential part of his diet—goat's milk. Nirmala, famed goat of Gandhi the past seven years, died at Wardha in the central provinces, a dispatch from there said today.

Four Killed in Bombay Rioting

BOMBAY, India, Dec. 21 (AP).—Four persons were killed and twelve seriously wounded today in an outburst of Hindu-Moslem rioting in the southern section of Bombay.

NO CONCESSION BY ARGENTINA

Door Apparently Closed On World Trade Unit

Havana, Dec. 21 (AP)—Argentina apparently closed the door today on joining the United States-backed International Trade Organization.

Dr. Diego Luis Molinari, chief Argentine delegate to the current trade conference here, said in an interview his country would make no compromise on several disputed points and "could not unreservedly accept" the proposed organization charter with articles opposed to Argentina's "vital national interest."

DEC 1947

He listed as the principal points of conflict the most-favored-nation treatment for organization members, controls on state trading and public business enterprises and foreign-exchange regulations.

He emphasized, however, that his delegation will continue taking part in the deliberations and that he himself will return after a trip to the United States to spend Christmas with his three sons, one a student at Columbia University.

Going To New Orleans

He also plans to go to New Orleans on the invitation of Mayor Delesseps S. Morrison and Gov. James H. Davis.

The United States was one of eighteen countries which drew up a tentative organization charter at trade discussions in Geneva which Argentina was not invited. Perhaps the most important Argentine-American conflict is over the most favored nation clause. This provides that "any advantage, favor, privilege or immunity granted by any member" to any other country in international trade "shall be accorded immediately and unconditionally to all other member countries.

Amendment Proposed

This refers to general commercial provisions, not to tariff reductions.

Argentina has proposed amending this article to provide that its extension of favors must be "on a reciprocal and mutually advantageous basis."

The United States contends that the most favored nation article is the core of the charter and that international trade can be fostered only by a general freeing of restrictions.

The proposed charter also would prevent Government-owned business institutions from doing things private enterprise is not permitted to do. Dr. Molinari said this provision would conflict with operations of the Argentine Institute for the Promotion of Interchange.

Wants Exchange Control

Another chapter of the tentative pact would prevent business practices, "whether by public or private enterprise," which restrain competition, limit access to markets or otherwise restrict trade. Argentina would eliminate reference to public enterprise.

The Argentine delegate said his country also would insist upon maintaining control of its foreign exchange. Under the charter, organization members would co-operate with the international monetary fund to prevent use of exchange controls for protecting a country's own commerce.

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PANAMA PACT'S OUTLOOK DIMS

19 Votes Shown Against Ratification Of U.S. Leases

Panama, Panama, Dec. 21 (AP)—An unofficial tally showed today that nineteen votes were pledged against ratification of the Panama-United States agreement on Panama Canal defense bases which comes before the National Assembly for final discussion and action tomorrow.

With 26 out of a total of 51 votes needed for ratification, there seemed little chance that the agreement, signed earlier this month by representatives of both governments, would be approved in its present form.

5 And 10 Year Leases

The agreement calls for five-year leases on thirteen defense sites in Panama and a ten-year lease with an option for ten more on the huge B-29 airbase at Rio Hata, about 70 miles west of Panama city.

A National Assembly committee has voted for conditional ratification, with the principal reservation reducing the term of occupation for the Rio Hata base to a five-year lease renewable for five more.

Foreign Minister Resigned

There has been much opposition to terms of the agreement, revolving mostly around the Rio Hata base.

Ricardo J. Alfaro, Foreign Minister, resigned December 9 in protest over the agreement, saying the United States request for Rio Hata was "unjustified."

What will happen if the Assembly rejects the agreement or accepts with the committee stipulations is a matter for speculation. Much would depend on United States willingness to accede to the changes.

American officials have described their request for Rio Hata as an absolute minimum defense need. If an impasse is reached there is a possibility the question might be presented to the United Nations.

SPEED UP PLAN TO AID EUROPE, SENATORS ASK

McMahon And Baldwin Point To Danger Of Communism

Washington, Dec. 21 (AP)—Senator McMahon (D., Conn.) urged today that the Marshall plan of European aid be sped to prevent "all of Europe from coming under the dominance of Russia."

Agreeing, Senator Baldwin (R., Conn.) said that the alternative to helping the sixteen western European non-Communist countries might mean the paying out of $66,000,000,000 a year for national defense.

The two lawmakers, who disagree on many issues, spoke jointly in a radio program for the Connecticut Forum of the Air.

"Europe Must Act"

A third senator, Elbert D. Thomas of Utah, told another radio audience (Station WEAM):

"All the resolutions passed by Congress can do no good toward establishing stability in Europe till Europe itself is ready to act."

The senators spoke as the Senate Appropriations Committee prepared to start hearings January 7 on the Marshall plan of spending $17,000,000,000 for the four-year recovery program submitted to Congress by President Truman Friday. The originator of the plan, Gen. George C. Marshall, Secretary of State, rested meanwhile at Pinehurst, N.C.

Senator White (R., Maine), the Republican floor leader, predicted over the wek end that Congress finally would agree on just about the overall plan Mr. Truman advanced.

Fight May Be Long

However, the fight may be long. Senator Ball (R., Minn.) objected to committing the nation in advance to such a tremendous undertaking. Others also objected to tackling the job on more than a year at a time basis.

Senator McMahon said today that he is not "too sanguine" that the plan would work. He said:

"To use a military term, we are taking a calculated risk.

"If it does succeed, and I hope that it will, it will be the greatest investment ever undertaken by a free people.

"If it fails, then the untold billions that we must spend for national security will make the cost of the Marshall plan seem infinitesimal."

Federation Urged

Senator Thomas spoke in connection with the resolution he introduced with Representative Fulbright (D., Ark), recommending a federation of European states within the United Nations. He said:

"If we do not act in such a way that these sixteen nations will act in unison, then it will all be in vain.

"One great need is for Europe to rid itself of fear. Yet how can these nations get free of fear unless they unite, to ward off fear of want, fear of aggression?"

STEEL SCRAP GOAL OF TRIP TO GERMANY

DEC 1947

Government - Industry Mission Hopes To Ease U.S. Bottleneck

Washington, Dec. 21 (AP) —An eight-man mission will go to Germany this month to hunt iron and steel scrap that can be brought back to relieve a bottleneck in steel production in the United States.

W. Averill Harriman, Secretary of Commerce, announced today the industry-Government mission, to sail from New York December 30, will:

1. Determine the quantity and location of scrap in the possession of the United States occupation forces, and the feasibility of bringing the critically short material to this country.

2. Report on the possibility of obtaining rubble and other scrap from Germany for use in American steel mills.

To Fit In With Foreign Aid

Harriman described this as another step to "assist and encourage industry in locating potential sources of scrap at a time when maximum steel production is urgently needed in behalf of our domestic economy."

Also, the undertaking is designed to fit in with foreign-aid programs, Harriman said, giving assurance that "needs for scrap in European iron and steel production will, of course, be taken into account in any plans."

The mission's fact-finding operations, to center at Frankfurt after the members first confer in Berlin with Gen. Lucius Clay, army chief in Germany, wil not include surveys of the scrap situation in other parts of Europe, Harriman said.

Roster Of Mission

The chairman of the mission is John L. Haynes, of the Commerce Department. Other Government members are Lieut. Col. S. M. Pool, Jr., of the Army, and Isiah Frank, of the State Department.

Industry members of the mission are:

Joseph B. Andrews, Cincinnati and C. B. Minnes, Buffalo, of the American Iron and Steel Institute; Richard V. Bonomo, Jersey City and H. L. Chase, Canton, Ohio, of the Institute of Scrap Iron and Steel; and George D. Branston Spring Lake, Mich., Gray Iron Founders Society.

PAULEY IS ASKED FOR TRADING DATA

DEC 1947

Army Official Reminded Of Agreement He Made

Washington, Dec. 21 (AP)—Senator Ferguson (R., Mich.) called on Edwin W. Pauley today to deliver the records covering his trading on commodity exchanges to the Senate Appropriations Committee "as soon as possible."

In a brief, pointed note, the Michigan Senator reminded Pauley that he had agreed to hand over the data, in testimony before the committee December 10. Ferguson is chairman of a special appropriations subcommittee inquiring into speculation on the commodity exchanges.

It especially wants to know whether "Government insiders" profited from confidential information on Government buying of commodities.

Disposed Of Most Holdings

Pauley, a special assistant to Kenneth C. Royall, Secretary of the Army, testified that he held something "less than a million" dollars worth of wheat, corn, lard and other futures contracts when he took the army post last September. But he also told the committee that he had since disposed of all but 50,000 bushels of wheat futures, and had used no information that came to him in an official capacity.

Pauley agreed to hand over his records for inspection, provided other Government officials, including members of Congress, were asked to do likewise.

This in turn touched off a series of events which led to passage of a congressional resolution, which President Truman signed, authorizing Clinton P. Anderson, Secretary of Agriculture, to make public the names of all big traders on the commodity exchanges, together with information concerning their activities.

Names Due This Week

Senator Bridges (R., N.H.), chairman of the full Appropriations Committee, said that the lengthy list—some 14,000 names—probably will arrive at the Capitol at the end of this week, or the first of the next.

Ferguson said that since Anderson had been authorized to make public the names, he had been receiving a remarkable number of tips," so e anonymous, that Government officials and other public officials had been speculating on the grain market.

"We certainly will follow up any that are worthwhile," he declared.

The Michigan lawmaker told the Senate last week that Pauley had not produced his records and charged then that the committee was "meeting the regular slowing-up tactics."

Wants No Big Traders Concealed

At the same time he made clear that he wanted no names of big traders "concealed."

"If there is any senator, if there is any representative, dealing and speculating in the market, then the public should know it," he declared. "If any Government official or anyone else is speculating . . . we should have action."

In his note to Pauley, Ferguson pointed out that he had attempted to reach the former Democratic National Committee treasurer by telephone, but had been informed "by your office that you are not expected to return there until some time after the first of January."

Ferguson then reminded Pauley of the agreement which he had reached with the committee and concluded the letter by saying:

". . . Notwithstanding your absence from the city it is my hope that you will submit those books and records in order that the professional staff may undertake a study of them without further delay."

On the other side of the Capitol, a special seven-man committee headed by Representative August Andresen (R., Minn.) also has been named to investigate commodity exchange transactions. It also plans early hearings.

REECE APPLAUDS COMMUNIST IDEA

DEC 1947

Voters Won't Be Confused In '48, GOP Chairman Says

Washington, Dec. 21 (AP)—B. Carroll Reece, chairman of the Republican National Committee, today agreed with the Communist party of New York in its contention that the American voters will not be confused next year.

"I am sure they will not; they have made up their minds definitely that there will be no fifth term," Reece wrote William Norman, organization secretary of the Communist party in New York State.

His letter was in response to a note from Norman enclosing a letter approved at a demonstration in New York city December 10. The Communist letter, Reece said, denounced the Republican party program and record. It also favored a rollback of prices to June, 1946, levels, strict price controls, rationing where needed, and higher taxes on corporation profits and lower taxes on the "working" people."

Party's 1944 Action Noted

Reece said the denunciation was understandable "in view of the open support given the Democrat candidate for the presidency in 1944 by the Communist party—then masquerading as the Communist Political Association."

He expressed thanks for the denunciation and said he hoped it will be repeated "frequently and with increased intensity."

"It is very advantageous to the Republican party to have the open and active opposition of a world-wide criminal conspiracy which seeks the destruction of the Government of the United States, and of liberal government everywhere," Reece wrote.

Difference In Tax Views

Reece said he was impressed by the four-point anti-inflation program of the Communist party because of what he called its "remarkable similarity in substance" with that presented to Congress by President Truman, except that the Communists called for a reduction in taxes for the working people.

After citing the President's two tax-reduction vetoes, Reece added:

"I am, of course, distressed at this indication of a rift in an otherwise beautiful friendship."

Results of a survey taken by the Republican Open Forums disclosed that 82 per cent of those who participated in the forums in the last six weeks in 33 states expressed the belief that American Communists "follow the dictates" of Soviet Russia.

Forum Queries On Communism

Results of balloting on the question, "American communism—does it threaten democracy?" in the forums organized by Harold E. Stassen, were announced by Clarence A. Peters, forum director.

Other results:

Eighty-four per cent believe American Communists are trying to overthrow the United States system of government, and 82 per cent believe this will be attempted by Communist infiltration into essential posts in business, industry and labor.

Forrestal Asks Yearly Plan on Arms Research

Board Headed by Dr. Bush Told to Keep the U. S. Ahead in Weapons Race

WASHINGTON, Dec. 21 (AP).—To keep the United States ahead in the weapons race, the Research and Development Board has been ordered by James Forrestal, Secretary of Defense, to submit at least once a year a new master plan for military research.

The instructions appeared tonight in a directive defining the duties and authority of the board, the membership of which was completed recently under the chairmanship of Dr. Vannevar Bush. On the board are two representatives each of the Army, Navy and Air Force.

To gear the whole field of research with the strategic planning of the armed forces, the Joint Chiefs of Staff (the military heads of the armed forces, plus the Chief of Staff to the President) is instructed to provide general guidance for the board. In doing this, the directive said, the joint chiefs must "determine the relative importance of achieving military effectiveness of various possible weapon systems under envisaged combat conditions" and give the research board their opinions.

The Munitions Board, co-equal with the Joint Chiefs and Research Board in the national military establishment, is instructed to keep the board posted on the types and availability of critical materials and substitutes needed in the scientific search for new weapons.

The board, the directive stated, will have "authority to resolve differences among the several departments and agencies of the military establishment." This appeared to be a move to settle disputes such as have arisen in the past over research programs.

Notable among these disputes was a prolonged contest between the Army Ordnance Department and the Air Force over guided missile development. In this connection, the board is given the definite authority to allocate responsibility for specific projects among the services and other agencies.

DEC 1947

New U. S. Rocket Plane Flown At Speeds Faster Than Sound

Washington, Dec. 21 (AP) — Aviation Week will say in an issue dated tomorrow that an experimental rocket plane, the Bell XS-1 has flown faster than the speed of sound on several occasions during the past month.

There have been persistent rumors that the sonic barrier had been breached by the SX-1 but Defense Secretary Forrestal forbade any official disclosure under security regulations issued specifically to cover air force progress in high speed flight.

The speed of sound generally is stated as 760 miles an hour, but this relates to standard conditions of 59 degrees Fahrenheit at sea level altitude. The speed of sound varies up to 100 miles an hour in either direction as the temperature rises or descends.

Aviation Week will say that the first flight faster than sound was made at Muroc Air Base, Calif., more than a month ago by Capt. Charles Yaeger and that since then the speed has been duplicated several times by Yaeger and Test Pilots Howard Lilly and Herbert Hoover of the National Advisory Committee for Aeronautics, the government's top aviation research agency.

The XS-1 which is powered by 4 rocket motors and is launched from the belly of a B-29 was built as an experimental aircraft in a co-operative effort between the air force and N.A.C.A. At the time it was first announced, the air force said it was expected eventually to reach speeds of 1,700 miles an hour.

The magazine said that the XS-1 had been timed by radar and had flown at altitudes of 40,000 to 70,000 feet.

The biggest surprise of the little plane's achievement, Aviation Week says, is the absence of numerous anticipated difficulties near the speed of sound, the so-called trans-sonic range, where the mixed flow of air at sub-sonic and super-sonic speeds is encountered.

The magazine said that a "revolution" in high speed aircraft design is anticipated as a result of the XS-1 flights, adding that Republic, Lockheed, McDonnell and Consolidated Vultee Aircraft Companies already are redesigning interceptor fighters which they are building for the air force.

Robert H. Wood, editor of Aviation Week, told a reporter that he had withheld the story for several weeks at the request of air force officials and with the understanding that the air force also would withhold it. He decided to release the story, he said, after Aviation Week had learned that the air force is preparing a release on the fact that the XS-1 has exceeded the speed of sound. (An air force spokesman said today that it is not preparing such a release.)

Wood said he feels that national security is no more endangered by releasing the story today than it would be in two or three weeks.

Refuses to Verify Reports

MUROC AIR BASE, Calif., Dec. 21 (AP).—Colonel S. A. Gilkie, commandant of this air base, declined today to verify reports that the Bell XS-1 rocket plane has exceeded the speed of sound here.

The commandant, however, admitted he had only "indirect supervision" over test flights and final confirmation of faster-than-sound flights—"if they have been made"—would probably have to come from Air Force headquarters in Washington or Wright Field, Dayton, Ohio.

Truman's Spaniel Arrives

WASHINGTON, Dec. 21 (AP)—"Feller," a five-weeks-old silver buff cocker spaniel, arrived here this morning to become the nation's "first dog." The puppy's flight to President Truman from Chicago was delayed by low visibility yesterday. He will follow in the famous pawprints of Fala, President Franklin D. Roosevelt's pet and companion at three-nation wartime conferences. Feller was given to President Truman by Mrs. Peter Joseph Marsden of Galena, Ill., formerly a nurse for the President's mother, the late Mrs. Martha E. Truman.

AID IN GOODS NOT DOLLARS IS URGED

'You Can't Eat Money Or Wear It,' Charles Taft Says

Cincinnati, Dec. 21 (AP)—Charles P. Taft, president of the Federal Council of the Churches of Christ in America, declared today relief for hungry peoples of the world "can be only in goods and services, not in black-market dollar bills."

"You can't eat money or wear it," he said in a broadcast in behalf of the voluntary foreign-aid program of Church World Service, Inc. "Dollars do no one much good until they are spent in the United States, where they are currency."

In Europe or Asia, he said, "dollar bills may be traded like a contraband diamond or stolen automobile with identifying tags or engine number removed."

Need Not Be "Soulless"

"Neither the distance nor the size" of the relief job need make it "big and soulless," he said and continued:

"The churches are supplying one way of doing that. Their people here, Lutheran or Evangelical, Methodist or Baptist, ship to their people at the other end who, as their agent, give to the needy with tender hearts and healing hands.

"But I suppose all of us would want to be sure that where all are not our own church people, but are of many races and faiths and in strange lands and in deep distress, there is still the same friendly hand and tender mercy.

Unite Their Efforts

"So the Protestant and Orthodox churches have come together here in the United States, first in several organizations and now into one—Church World Service, Inc.—to unite their efforts and reduce their organizational overhead and expense.

"Two things are involved in relief. The basic esentials for life—food, heat, shelter, clothing—and second, the helping hand and special care and service and rehabilitation and resettlement and retraining that can only be effectively stimulated, started and often finished in an emergency by the flexible and human operations of a great private agency."

Central China Gain Claimed

San Francisco, Dec. 21 (AP)—The Chinese Communist radio said today that Generals Chen Yi and Chen Keng had "destroyed" more than 15,000 Government troops and captured more than twenty Honan towns in operations in central China in the week ending December 19.

The broadcast, heard by the Associated Press in San Francisco, said the two Communist generals had "exchanged congratulatory handshakes on the Peiping-Hankow Railway line" and had together destroyed 150 miles of that route and 130 miles of the intersecting Lunghai Railway.

Chinese Government accounts have named both these Communist generals as threatening Kaifeng, Honan provincial capital, but said Friday their forces had been driven back.

secretary saying the President would take a "personal interest" in the matter. At the same time Alfidi reported he had telephoned Attorney General Tom C. Clark at his Washington home to enlist his support. Clark was quoted as saying he would try to help.

Alfidi related that he nearly was detained himself today when he slipped onto a boat, running between the mainland and Ellis Island, in New York harbor, in an attempt to see Miss Formicola again. He said guards held him for two hours.

Barred With "New Outfit"

"I wanted to give her some clothes," he explained. "They haven't allowed her to have access to her luggage, and she's had to wear the same clothing she wore on the trip over here. I bought her a whole new outfit, from shoes to hat, but guards wouldn't let me inside to give it to her."

A ruling of a special immigration board Friday that Miss Formicola must return to Italy, because she now has no plans to wed a former service man, has been appealed. Immigration officials are expected to review the case in Philadelphia sometime this week.

Michael Cataneo, a State Island cousin, said he will seek to adopt the girl, whose fiancé, James McIntosh, of Guerrant, Ky., died in an automobile accident.

Offers Of Marriage Pile Up For Italian Girl At Ellis Island

DEC 1947

New York, Dec. 21 (AP)—Dozens of former service men want to marry Maria Formicola, the Italian girl who has been ordered back to her homeland because her bridegroom-to-be died while she was en route to this country, it was reported today.

The girl, it was said, has received more than 200 telegrams offering money, adoption, homes and marriage, but the main contender for her hand appeared to be a 27-year-old Yonkers, N.Y., combat veteran and music teacher, Frank Alfidi.

"The others don't have a chance," he said. "Dozens of fellows have wired wanting to marry her, but they're out."

Says He Won Acceptance

Alfidi, who says he talked to Miss Formicola at immigration detention quarters on Ellis Island and won acceptance of his marriage offer, today employed an attorney to assist him in his effort to gain her release and permission to remain in this country.

He also said he had received a message from President Truman's

30.24- 14401

LONDON, DEC 21-(AP)-THE MOSCOW RADIO REPORTED TODAY THAT PRIME MINISTER STALIN WAS UNANIMOUSLY ELECTED AS A DEPUTY TO THE MOSCOW SOVIET. TODAY IS ALSO STALIN'S 68TH BIRTHDAY.

REPORTING ON RESULTS OF BALLOTING IN FIVE RUSSIAN REPUBLICNS THE RADIO SAID "THE WHOLE PROCEDURE OF VOTING IN THE 58TH ELECTORAL AREA IN THE STALIN DISTRICT OF MOSCOW TOOK ONLY FIVE HOURS AND BY 11 A.M. 100 PER CENT OF THE VOTERS HAD VOTED FOR JOSEPH STALIN."

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LONDON--SECOND ADD MOSCOW RADIO X X X STATES OFFICIALS."

"TO MAP MONETARY REFORM FOR WESTERN GERMANY," THE MOSCOW RADIO SAID, "AMERICAN AUTHORITIES HAVE CALLED IN SCHACHT, THE GERMAN IMPERIALIST AND MILITARIST WHO WITH HIS FINANCIAL MANIPULATIONS HELPED HITLER TO SPEND THOUSANDS OF MILLIONS OF DOLLARS ON THE ARMING OF GERMANY."

(SCHACHT SERVED AS PRSIDENT OF THE REICHSBANK AND MINISTER OF ECONOMICS UNDER ADOLF HITLER, BUT FELL INTO DISFAVOR BEFORE THE WAR BEGAN. HE WAS ACQUITTED IN THE FIRST OF THE NUERNBERG WAR CRIME TRIALS, WHICH ENDED IN OCTOBER, 1946, BUT LAST MAY WAS SENTENCED TO EIGHT YEARS' IMPRISONMENT BY A GERMAN DENAZIFICATION COURT.

(SHORTLY AFTERWARDS UNITED STATES OCCUPATION AUTHORITIES QUESTIONED HIM. GEN.LUCIUS D.CLAY, MILITARY GOVERNOR, SAID THE INTERROGATION WAS CONNECTED WITH THE NUERNBERG TRIALS AND HAD NOTHING TO DO WITH A PLAN SCHACHT CLAIMED TO HAVE FOR GERMAN RECOVERY).

"DURING THE NUERNBERG TRIAL LAST YEAR," THE BROADCAST SAID, "SCHACHT ADMITTED THAT WITHOUT HIS FINANCIAL OPERATIONS, HITLER COULD NOT HAVE RECEIVED THE MEANS TO REVIVE THE GERMAN WAR MACHINE.

"NOW THIS SPECIALIST ON REARMING GERMANY, THIS INTIMATE FRIEND OF SUCH WALL STREET BIGWIGS AS LEON FRASER AND OTHER BANKERS, IS HELPING AMERICAN AUTHORITIES IN WESTERN GERMANY TO LAY THE FINANCIAL FOUNDATIONS FOR ANOTHER REVIVAL OF THE GERMAN MACHINE."

(LEON FRASER WAS AN INTERNATIONAL BANKER WHO SERVED IN THE TWENTIES AS GENERAL COUNSEL TO THE DAWES PLAN FOR GERMAN REPARATIONS. IN 1945, AT 56, HE SHOT AND KILLED HIMSELF IN HIS HOME IN NORTH GRANVILLE, N.Y., LEAVING A NOTE TELLING OF MENTAL DEPRESSION.)

"THE MONEY WHICH, WITH SCHACHT'S ASSISTANCE, WILL BE PUT INTO CIRCULATION IN WESTERN GERMANY WILL ENABLE KRUPP ENGINEERS TO PRODUCE GUNS," THE MOSCOW BROADCAST CONTINUED.

(TWELVE OFFICIALS OF THE GERMAN KRUPP WAR INDUSTRIES NOW ARE ON TRIAL ON WAR CRIME CHARGES IN NUERNBERG.)

"THE VERY DAY THE SECRETARY OF STATE OUTLINED THE PROGRAM FOR AMERICAN IMPERIALISM IN GERMANY, PRESIDENT TRUMAN ASKED CONGRESS FOR $17,000,000,000 (BILLION) DOLLARS WITHIN THE NEXT FOUR YEARS TO FINANCE THE MARSHALL PLAN IN EUROPE," THE RUSSIAN BROADCAST SAID.

"THE GREATER SHARE OF THIS SUM IS ASSIGNED FOR GERMANY--BUT NOT TO ESTABLISH UNITY OF THE DEMOCRATIC STATE, TO REVIVE HER CIVILIAN INDUSTRY. THE MARSHALL PLAN AND AMERICAN BILLIONS ARE TO BE USED TO TRANSFORM WESTERN GERMANY INTO AN ARSENAL OF AMERICAN EXPANSION."

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DEC 1947

PARIS, DEC. 21-(AP)-PREMIER ROBERT SCHUMAN'S MAJORITY IN THE FRENCH NATIONAL ASSEMBLY LOST SOME OF ITS STRENGTH LAST NIGHT WHEN, FOR THE FIRST TIME, 115 DE GAULLIST DEPUTIES ABSTAINED FROM VOTING AGAINST A COMMUNIST MOTION WHICH WAS FINALLY DEFEATED 311 TO 183.

JACQUES DUCLOS, SECRETARY OF THE COMMUNIST PARTY IN FRANCE HAD PRESENTED A MOTION AGAINST DISCUSSION OF ECONOMIC MINISTER RENE MAYER'S FINANCIAL AND ECONOMIC REFORM PLAN WHICH ALREADY HAD BEEN APPROVED BY THE ASSEMBLY FINANCE COMMITTEE.

DISPITE COMMUNIST ATTACKS AND DE GAULLIST ABSTENTIONS THE ASSEMBLY DECIDED TO PURSUE TODAY DISCUSSION OF MAYER'S PLAN.

THE COMMUNIST POINT WAS THAT THE AUSTERITY PROGRAM, WHICH IS DESIGNED TO BALANCE PRICES AND WAGES IN AN EFFORT TO HALT INFLATION, WILL ONLY AFFECT THE WORKING CLASSES. IN PRESENTING HIS PARTY'S MOTION, DUCLOS DELIVERED A SPEECH WHERE HE ONCE MORE ATTACKED THE UNITED STATES AND THE MARSHALL PLAN.

RENE CAPITANT, DE GAULLIST SPOKESMAN ASSERTED THAT THE GOVERNMENT HAD "NEITHER THE CONFIDENCE OF PARLIAMENT NOR OF THE COUNTRY" AND INTRODUCED A MOTION CALLING FOR NEW ELECTIONS.

HIS MOTION COULD NOT BE PUT TO AN IMMEDIATE VOTE, ON A PARLIAMENTARY TECHNICALITY.

JR403AES

vatican city, dec. 21 - (ap) - pope pius XII, appealing for prayers for peace, said saturday in a bitter denunciation of political agitators that class hatred threatened "to undermine and overturn the very foundation of states."

DEC 1947

the pontiff, in a 1,100-word encyclical entitled quote "optimam pacem" (most desired peace), declared that "those who, with a premeditated plan, thoughtlessly raise up the cross, inciting it to tumult, to sedition or to offenses against the liberty of others, without a doubt do not operate to mitigate the poverty of the people, but rather increase it and provoke common ruin x x x."

the christmas message to the roman catholic church's hierarchy made it clear, although it named no names, that the pope had in mind the communists of france and italy when he said:

"there are not lacking those who aggravate and batten on the misery of the proletarian classes and hence obstruct those noble forces with which, with strict order and with justice, the rebuilding of fortunes now dispersed is attempted."

DEC 1947

in nations left vasted by world war II, the pope said, "the social classes mutually agitated by a bitter hatred, with innumerable tumults and turbulences, as all see, to undermine and overturn the very foundations of states."

DEC 1947

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BERLIN, DEC 21-(AP)-THE UNITED STATES LICENSED NEWSPAPER DER TAGESSPIEGEL DECLARED TODAY THAT THE REMOVAL OF TWO LEADERS OF THE CHRISTIAN DEMOCRATIC UNION (CDU) IN THE SOVIET ZONE--JAKOB KAISER AND ERNST LEMMER--BORE THE TRADEMARK "MADE IN COMINFORM."

THE SOVIET MILITARY ADMINISTRATION, AFTER DEMANDING FRUITLESSLY THAT THE CDU CENTRAL COMMITTEE REMOVE KAISER AND LEMMER, INFORMED THE PARTY YESTERDAY THAT IT NO LONGER RECOGNIZED THEM AS LEADERS AND NAMED TWO OTHERS. THE CDU HAS BEEN PERMITTED TO FUNCTION IN THE RUSSIAN ZONE SINCE 1945 AS AN "OPPOSITION" PARTY.

THE SOVIET-LICENSED NEWSPAPERS PUBLISHED IDENTICAL STORIES OF THE CDU CRISIS IN WHICH IT WAS CHARGED THAT KAISER HAD BEEN TAKING ORDERS FROM "AN OCCUPATION POWER WHICH HAS NO CONNECTION WITH THE SOVIET ZONE."

THE SOVIET VERSION OF THE AFFAIR, AS PRESENTED BY THE RUSSIAN CONTROLLED NEWS AGENCY, SAID THE DISTRICT LEADERS OF THE PARTY INITIATED THE CHANGE BECAUSE THEY COULD NO LONGER TOLERATE THE INTERNAL "CRISIS" IN THE PARTY.

THE "CRISIS" AROSE, CDU LEADERS SAID WHEN THE RUSSIANS DEMANDED THE REMOVAL OF KAISER AND LEMMER BECAUSE THEY REFUSED TO PARTICIPATE IN A RECENT PEOPLE'S CONGRESS ARRANGED BY THE COMMUNIST-CONTROLLED SOCIALIST UNITY PARTY.

KAISER AND LEMMER WERE OPPONENTS OF THE NAZI REGIME AND TOOK PART IN THE UNSUCCESSFUL 1944 ASSASSINATION PLOT AGAINST HITLER.

THE TWO CDU LEADERS DECLINED TO SAY WHAT THEY WOULD DO IN THE FACE OF THE RUSSIAN ORDER.

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HE SAID THERE IS VIRTUALLY NO OPPOSITION TO HIS PROGRAM, POINTING OUT THAT THE COMMUNISTS, THE ONLY POLITICAL PARTY OPPOSING THE ECONOMIC UNION WITH FRANCE, POLLED ONLY EIGHT PER CENT OF THE VOTES IN THE LAST ELECTION. Saarbrucken add ex Europe

THE SAAR INCLUDES 2,200 SQUARE MILES OF WESTERN GERMANY AND HAS SOME 900,000 INHABITANTS. FRANCE HAS ALREADY EXTENDED HER CUSTOMS FRONTIER TO INCLUDE THE AREA AND SUPPLANTED THE MARK WITH THE FRANC. THIS CONFRONTED THE WORLD WITH AN ACCOMPLISHED FACT NOT YET APPROVED FORMALLY BY THE OTHER THREE MEMBERS OF THE BIG FOUR. HOWEVER, BOTH THE UNITED STATES AND BRITAIN HAVE AGREED INFORMALLY TO THE UNION.

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DEC 1947

MOSCOW, DEC 21-(AP)-PRAVDA, COMMUNIST PARTY ORGAN, TODAY DESCRIBED AS A "DISMAL FAILURE" THE U.S. STATE DEPARTMENT'S "VOICE OF AMERICA" BROADCAST OF DEC.3, WHICH IT QUOTED AS BEING TO THE EFFECT THAT THE SOVIET UNION WAS FACING AN ECONOMIC CRISIS AND "INCREASED PRICES."

(THE BROADCAST SAID A PURCHASING FEVER HAD BEEN TOUCHED OFF IN RUSSIA BY RUMORS OF IMMINENT PRICE INCREASES AND A DEVALUATION OF THE RUBLE. REVALUATION OF THE RUBLE AND ELIMINATION OF RATIONING WERE ANNOUNCED IN MOSCOW DEC.14).

"THE DECREE OF THE COUNCIL OF MINISTERS OF THE U.S.S.R. AND THE CENTRAL COMMITTEE OF THE COMMUNIST PARTY ON THE MONEY REFORM AND REPEAL OF THE RATIOON SYSTEM," PRAVDA SAID, "SHOWED THE SOVIET REALITY WAS AS FAR AWAY FROM THE 'WISHES' OF THE AMERICAN REACTIONARIES AS HEAVEN FROM EARTH. THIS DECREE WAS NOT ONLY ONE MORE EVIDENCE OF THE INVINCIBLE POWER OF SOCIALIST ECONOMICS, NOT ONLY A NEW STEP TO IMPROVEMENT OF THE MATERIAL WELFARE OF THE SOVIET PEOPLE--BUT ALSO, IN THE EYES OF THE WHOLE WORLD, IT WAS HAILED TO PILLORY WITH SCORN THE AUTHORS OF SLANDEROUS INFORMATION OF A CRISIS IN THE SOVIET UNION."

THE NEWSPAPER QUOTED THE CHRISTIAN SCIENCE MONITOR TO THE EFFECT THAT THE STATE DEPARTMENT BROADCAST WAS "FOUNDED ON TELEGRAMS RECEIVED FROM CERTAIN DIPLOMATIC REPRESENTATIVES IN THE UNITED STATES."

PRAVDA ASSERTED THAT IT WAS OBVIOUS SUCH TELEGRAMS MUST HAVE EMANATED FROM MOSCOW.

THE PAPER RIDICULED CERTAIN AMERICAN CONGRESSMEN WHO, IT SAID, BIT AT THE "VOICE OF AMERICA" BAIT AND AS A RESULT "TURNED OUT TO BE FOOLS."

IT COMPLIMENTED SEN.ARTHUR V.WATKINS (R-UTAH) FOR STATING CAUTIOUSLY THAT "IT'S IMPORTANT IF TRUE."

SEN.SCOTT W.LUCAS (D-ILL) WAS RIDICULED AS HAVING PREDICTED THE POSSIBILITY OF A "COMPLETE CRACKUP IN THE RUSSIAN ECONOMY."

PRAVDA DESCRIBED THE EFFECT OF THE BROADCAST AS SERIOUSLY DAMAGING THE PRESTIGE OF THE AMERICAN DIPLOMATIC CORPS AND SERIOUSLY DISCREDITING THE U.S. STATE DEPARTMENT'S "VOICE OF AMERICA."

G337PES

30.24- 14403

TIENTSIN, CHINA, DEC.22-(AP)-AN AMERICAN-LED CONVOY TODAY TURNED OVER SEVEN CHINESE COMMUNISTS -- LAST OFFICIAL RED REPRESENTATIVES TO LEAVE NATIONALIST CHINA -- TO A COMMUNIST HONOR GUARD WHO SHOUTED, "WELCOME TO OUR PEOPLE, "WELCOME BACK TO OUR TERRITORY."

PERRY HANSON, JR., OF NEW YORK, UNRRA OFFICIAL, LED THE CONVOY WHICH ESCORTED THE SEVEN, FIVE RELIEF OFFICIALS AND TWO SERVANTS, UNEVENTFULLY INTO THE CIVIL WAR NO-MAN'S LAND 12 MILES SOUTH OF TIENTSIN AND ON TO THE COMMUNIST LINES ABOUT 20 MILES FURTHER.

THE UNRRA TEAM IS DUE BACK IN TIENTSIN CHRISTMAS EVE WITH SEVEN UNRRA EMPLOYES WHO HAD BEEN WORKING IN COMMUNIST TERRITORY AND JACK DODDS, OF TORONTO, ONT., OF THE FRIENDS SERVICE UNIT, WHO HAD BEEN INVESTIGATING A PLANE CRASH. TWO OF THE UNRRA EMPLOYES TO BE RETURNED ARE AMERICANS, MARCY DITMANSON AND MISS WINIFRED HEMINGWAY.

NM WR1055PPS

SHANGHAI--FIRST ADD FIRST LEAD CHENNAULT XXX END DEC. 31.

THE LUTHERAN WEDDING CEREMONY WAS PERFORMED BY THE REV. [illegible]LPH MORTENSEN, OF THE CHINA BIBLE HOUSE.

CHENNAULT XXX FIFTH GRAPH PREVIOUS AS BEFORE.

DEC 1947

WR701PPS NM

FIRST LEAD WAR CRIMES TRIAL (140)

TOKYO, MONDAY, DEC.22-(AP)-EMPEROR HIROHITO WAS CLAD IN FULL JAPANESE NAVAL UNIFORM WHEN HE RECEIVED PRESIDENT ROOSEVELT'S LAST MINUTE PLEA FOR PEACE--20 MINUTES BEFORE CARRIER PLANES BOMBED PEARL HARBOR -- FORMER FOREIGN MINISTERY SHIGENORI TOGO TESTIFIED TODAY AT THE WAR CRIMES TRIAL.

(THE PROSECUTION HAS SUGGESTED IN OPEN COURT THAT "THERE WAS A GATHERING OF THE BOYS AT THE PALACE, WAITING FOR THE NEWS FROM THE PEARL HARBOR ATTACK, WHEN PRESIDENT ROOSEVELT'S MESSAGE ARRIVED")

DEFENDANT TOGO'S TESTIMONY ON THE EMPEROR, CONFIRMING A JAPANESE FOREIGN-OFFICE DOCUMENT PRODUCED BY THE PROSECUTION, FOLLOWED HIS ADMISSION THAT HE AND PREMIER HIDEKI TOJO REPARED A REPLY REJECTING ROOSEVELT'S PLEA EVEN BEFORE THE MESSAGE WAS CARRIED TO HIROHITO. ACTUAL DELIVERY OF PRESIDENT ROOSEVELT'S MESSAGE FOLLOWED A DELAY OF MORE THAN 12 HOURS IN TRANSMISSION.

TOGO ALSO ADMITTED, ETC SECOND GRAF PREVIOUS.

WR821PPS

TOKYO, MONDAY, DEC.22-(AP)-LT.SIDNEY L.CLARKE, OF PELLSTON, MICH., WHO HAD 112 HOURS OF COMBAT FLYING ON 24 MISSIONS OVER EUROPE TO HIS CREDIT, WAS KILLED DEC.17 IN A CRASH-LANDING OF HIS P-47 AT GUAM, THE FAR EAST AIRFORCE HEADQUARTERS ANNOUNCED TODAY.

CLARKE'S RECORD DURING THE WAR IN EUROPE WAS MADE WITH A P-51 IN BATTLES OVER THE BALKANS, THE RHINELAND, THE APPENINES AND THE PO VALLEY.

HE WAS ON A ROUTINE TRAINING MISSION AT GUAM.

SURVIVORS INCLUDE THE WIDOW, THERESA, AND A DAUGHTER AT 1237 EAST KIRBY STREET) DETROIT, AND HIS PARENTS, MR. AND MRS. JOHN CLARKE OF PELLSTON.

DEC 1947

JM841PCS

TOKYO, MONDAY, DEC.22-(AP)-INSURANCE FOR BLACK MARKET OPERATORS IS THE LATEST WRINKLE IN JAPAN'S FLOURISHING ILLEGAL TRADE.

CHARCOAL BLACK MARKET MEN HAVE FORMED GROUPS OF 20 EACH AND CONTRIBUTED "INSURANCE" FEES. WHENEVER A MEMBER'S STOCKS ARE CONFISCATED BY POLICE, HE IS REIMBURSED OUT OF THE FUND.

PY823PPS NM

HONOLULU, DEC. 21-(AP)-THE NAVY TANK LANDING SHIP 1135, WITH 51 MEN ABOARD, HAS MADE TEMPORARY REPAIRS TO A CRACKED DECK AND HULL AND IS PROCEEDING AT SEVEN KNOTS TOWARD JOHNSTON ISLAND, 500 MILES TO THE EAST, VICE ADM. JOHN L. HALL, COMMANDING THE HAWAIIAN SEA FRONTIER, SAID TODAY.

A PATROL CRAFT WAS EN ROUTE FROM PEARL HARBOR TO MEET THE SHIP, WHICH YESTERDAY WAS REPORTED IN DANGER OF BREAKING APART IN HEAVY SEAS WHILE THE CREW WELDED REINFORCING PLATES ACROSS THE CRACKS.

HALL SAID THE LST WAS ASSIGNED TO THE COMMANDER OF SERVICE FORCES OF THE PACIFIC.

THE HAWAIIAN SEA FRONTIER REPORTED THAT A HALF-DOZEN OTHER SHIPS, DISTRESSED BY NORTH PACIFIC STORMS DURING THE PAST WEEK, WERE ALL EN ROUTE TO HARBORS EITHER UNDER THEIR OWN POWER OR IN TOW.

MH358PPS NM

MANILA, DEC. 21-(AP)-U.S. ARMY SOURCES DISCLOSED TODAY THAT ORGANIZED RINGS OF THIEVES ARE STEALING MORE THAN 100 ARMY VEHICLES--MOSTLY JEEPS--EVERY MONTH.

WHILE THIS IS FAR BELOW THE 800 MONTHLY AVERAGE SHORTLY AFTER THE LIBERATION, HEADQUARTERS EXPRESSED CONCERN OVER THE RECENT SHARP INCREASE, PARTICULARLY IN VIEW OF THE SMALL NUMBER OF UNITS ASSIGNED TO THE PHILIPPINES, LESSENING OPPORTUNITY FOR THEFT.

LATELY THE THIEVES HAVE BEEN STOPPING AMERICAN PERSONNEL AFTER DARK AT GUNPOINT ON OUTLYING HIGHWAYS AND TAKING THEIR CARS.

RECENT VICTIMS INCLUDE LT. COL. LOUIS LIPSCOMB OF THE INFORMATION AND EDUCATION SECTION AND T/SGT ROBERT BLAKE, MANAGING EDITOR OF THE DAILY PACIFICAN.

BLAKE, A FORMER LOS ANGELES AND OAKLAND, CALIF., NEWSPAPERMAN, AND HIS WIFE, FORMERLY OF BALTIMORE, MD., WERE ROBBED OF THEIR JEEP, CASH AND VALUABLES BY THREE GUNMEN WHO "ROUGHED UP" MRS. BLAKE IN THE PROCESS.

MH1214PPS

[illegible] 1st

MANILA--FIRST ADD AQUINO DEATH X X X ~~SHORTLY AFTERWARD~~ final

THE HUKBALAHAPS (ARMED PEASANTS) ACCUSED AQUINO OF BETRAYING AMERICAN GUERRILLA LEADERS TO THE JAPANESE DURING THE WAR BUT THIS NEVER WAS PROVED IN COURT. UNKNOWN PERSONS, BELIEVED TO HAVE BEEN HUKS, KIDNAPED AND KILLED SERGIO AQUINO, BENIGNO'S BROTHER-IN-LAW AND NEPHEW (CORRECT), NEAR BAMBAN, TARLAC PROVINCE, TWO YEARS AGO. THE ABDUCTION OCCURRED AFTER SERGIO, WHO WAS PUPPET GOVERNOR OF THE PROVINCE DURING THE JAPANESE OCCUPATION, WAS RELEASED ON BAIL FOLLOWING ACCUSATION OF COLLABORATION WITH THE ENEMY.

BENIGNO, TWICE MARRIED, IS SURVIVED BY 11 CHILDREN.

JM9PCS

CAIRO, EGYPT, DEC. 21-(AP)-THE NEWSPAPER AL ASSAS SAID TODAY IN A DISPATCH FROM JIDDA, SAUDI ARABIA, THAT KING IBN SAUD OF SAUDI ARABIA HAD SUMMONED OFFICIALS OF THE TRANS-ARABIAN PIPELINE COMPANY TO HIS CAPITAL AT AL RYADH.

(THE TRANS-ARABIAN PIPELINE COMPANY AND A COMPANION CORPORATION, THE ARABIAN-AMERICAN OIL COMPANY, ARE OWNED JOINTLY BY FOUR UNITED STATES COMPANIES--THE TEXAS COMPANY, STANDARD OIL OF NEW JERSEY, STANDARD OIL OF CALIFORNIA AND SOCONY VACUUM.)

"IT IS UNDERSTOOD," AL ASSAS SAID, "THE KING WILL TELL THEM THAT OWING TO ARAB PUBLIC FEELING (CONCERNING THE PARTITION OF PALESTINE), HE IS COMPELLED TO RECONSIDER OIL CONCESSIONS AND THAT ONE CANNOT SELL HIS RELIGION AND THE HOLY LAND FOR AMERICAN DOLLARS."

THE NEWSPAPER SAID THAT WILLIAM S.S.RODGERS OF NEW YORK, CHAIRMAN OF THE TEXAS COMPANY AND VICE-PRESIDENT OF TRANS-ARABIAN, AND OTHER OFFICIALS WERE "NOW IN AL RYADH ON THEIR WAY TO SEE THE KING."

IT ADDED THAT SHEIKH YUSSEF YASSIN, ACTING FOREIGN MINISTER OF SAUDI ARABIA, HAD BEEN RECALLED FROM THE ARAB LEAGUE MEETING AT CAIRO TO ATTEND THE CONFERENCE.

RW549PES

DEC 1947

CAIRO, DEC 21-(AP)-A CABLE RECEIVED TODAY BY ABDEL RAHMAN AZZAM PASHA, SECRETARY GENERAL OF THE ARAB LEAGUE, SAID THAT TEN OF THOUSANDS OF VOLUNTEERS IN THE BRITISH COLONY OF ADEN ON THE ARABIAN COAST WERE "THIRSTY TO FIGHT FOR PALESTINE."

THE CABLE, SIGNED BY IBRAHIM IBNALIMAM SAID THAT "VOLUNTEERS FOR PALESTINE ARE RECRUITING IN THE THOUSANDS AND IT IS VERY NECESSARY TO KNOW THE LEAGUE'S AND GENERAL HEADQUARTERS' OPINION OF HOW THEY SHOULD BE USED. WE EXPECT YOUR INSTRUCTIONS AND EARNESTLY HOPE TO RECEIVE A REPLY TO TRANQUILLIZE TENS OF THOUSANDS OF THIRSTY VOLUNTEERS."

DN742AES

JERUSALEM, DEC 21-(AP)-THREE PASSENGERS IN AN ARAB BUS WERE REPORTED KILLED TODAY WHEN A BAND DRESSED IN THE UNIFORM OF DEPUTY CONSTABLES IN THE PALESTINE POLICE OPENED FIRE ON THE VEHICLE WITH RIFLES AND AUTOMATIC WEAPONS AS IT WAS PROCEEDING NEAR RAMALLAH. BETWEEN 15 AND 20 PERSONS WERE SAID TO BE IN THE BAND.

OTHER REPORTS OF VIOLENCE FROM VARIOUS PARTS OF THE HOLY LAND TODAY INCLUDED:

TWENTY FIVE JEWS WERE SAID TO HAVE ATTACKED AN ARAB QUARTER ON THE RAMLA JERUSALEM ROAD, DAMAGING THREE HOUSES WITH BOMBS. IN HAIFA AN ARAB WAS FOUND DEAD. ONE ARAB WAS SHOT TO DEATH AND A SECOND WOUNDED IN THE VICINITY OF TEL AVIV.

DN736AES

JERUSALEM--PALESTINE BUDGET, SUB FOR SEVENTH GRAF (WHICH INSERTED--A 67) BEGINNING "A BRITISH JEW" AND ENDING "IN MOSCOW."

ROBERT STERN, 35, A BRITISH JEW EMPLOYED IN THE PALESTINE GOVERNMENT'S PUBLIC INFORMATION OFFICE, WAS SHOT TO DEATH TONIGHT IN JERUSALEM, 100 YARDS FROM A GOVERNMENT BUILDING HOUSING THE INFORMATION OFFICE. A FORMER NEWSPAPERMAN, HE ONCE WORKED FOR THE MANCHESTER GUARDIAN AND SERVED IN LONDON AS AN ASSISTANT CORRESPONDENT FOR THE CHICAGO TRIBUNE.

A BRITISH ARMY ETC., EIGHTH GRAF.

MQ520PES

(130) (ADVANCE FOR AMS OF MONDAY, DEC.22)

(ADVANCE) WASHINGTON, DEC.21-(AP)-A SQUADRON OF "WINTERIZED" JET FIGHTER PLANES HAS ARRIVED IN ALASKA FOR THE FIRST MASS TACTICAL OPERATION OF JET AIRCRAFT IN THE ARCTIC, THE AIR FORCE ANNOUNCED TODAY.

UNDER COMMAND OF LT. COL. DONALD E. HILLMAN, SEATTLE, WASH., THE 94TH "HAT-IN-RING" SQUADRON FLEW TO LADD FIELD AT FAIRBANKS FOR A SIX-MONTH TRAINING PERIOD. BEFORE DEPARTURE FROM ITS BASE AT MARCH FIELD, CALIF., THE PLANES WERE "WINTERIZED" SO AS TO WITHSTAND TEMPERATURES DOWN TO MINUS 65 DEGREES FAHRENHEIT.

TWO MORE OF THE WINTERIZED JETS WILL GO TO THE AIR PROVING GROUND COMMAND AT EGLIN FIELD, FLA., FOR TESTING IN THE COLD CHAMBERS OF THE CLIMATIC HANGAR THERE. ANOTHER WILL BE SENT TO THE AIR MATERIEL COMMAND AT WRIGHT FIELD, OHIO, FOR SPECIAL ENGINEERING TESTS. ALL THREE PLANES WILL GO TO ALASKA LATER, THE AIR FORCE SAID.

(END ADVANCE FOR AMS OF MONDAY, DEC.22)

VH242PES NM

MINNEAPOLIS, DEC. 21-(AP)-WILLIAM COURTENAY, AVIATION EDITOR OF THE LONDON GRAPHIC NOW EN ROUTE HOME BY COMMERCIAL AIRLINES FROM A MONTH TOUR OF JAPAN AND KOREA, SAID IN AN INTERVIEW HERE TODAY THAT KOREA IS HEADED FOR CIVIL WAR.

COURTENAY ARRIVED IN MINNEAPOLIS BY NORTHWEST AIRLINES PLANE FROM TOKYO. HE PLANS TO RETURN TO LONDON TUESDAY.

"KOREA," HE SAID, "IS HEADED FOR CIVIL WAR EITHER BY MARCH WHEN THE UNITED NATIONS IS SUPPOSED TO HOLD A GENERAL ELECTION OR SOON AFTER AMERICA HAS BEEN OUT-MANEUVERED BY THE RUSSIANS."

THE BRITISH CORRESPONDENT VISITED THE 38TH PARALLEL IN KOREA AND SAID THAT RUSSIAN GUNS WERE TRAINED ON AMERICAN LINES AS RECENTLY AS LAST WEDNESDAY.

J1227AES NM

DEC 1947

NEW YORK, DEC. 21-(AP)-THE NEW YORK HERALD TRIBUNE SAYS NICHOLAS KYRIAZEDES, A GREEK NEWSPAPERMAN ACCREDITED TO THE UNITED NATIONS, WAS "ARRESTED THURSDAY AND DETAINED ON ELLIS ISLAND IN $5,000 BAIL BECAUSE THE TWO COMMUNIST NEWSPAPERS HE REPRESENTS WERE SUPPRESSED BY THE GREEK GOVERNMENT."

KYRIAZEDES, CORRESPONDENT FOR THE PAPERS "RIZOSPASTIS," AND "ELEFTHERIA ELLADA" OF ATHENS, WHICH WERE SUPPRESSED OCT. 18, WAS ARRESTED BY THE IMMIGRATION SERVICE OF THE U

DEC 1947

KYRIAZEDES, CORRESPONDENT FOR THE PAPERS "RIZOSPASTIS," AND "ELEFTHERIA ELLADA" OF ATHENS, WHICH WERE SUPPRESSED OCT. 18, WAS ARRESTED BY THE IMMIGRATION AND NATURALIZATION SERVICE OF THE U.S. DEPARTMENT OF JUSTICE, THE PAPER SAID, ADDING:

"X X X IT APPEARED THAT IMMIGRATION OFFICIALS ACTED ON THE ASSUMPTION THAT MR.KYRIAZEDES LOST HIS U.N. STATUS WHEN HIS NEWSPAPERS WERE SUPPRESSED."

HOWEVER, IT WAS SAID, HIS U.N. ACCREDITIZATION WAS STILL GOOD AT THE TIME OF HIS ARREST.

THE PAPER SAID THE GREEK JOURNALIST CLAIMS TO REPRESENT TWO OTHER PAPERS WHICH WERE NOT SUPPRESSED.

MQ1203AES

30.24- 14405

WX) BALTIMORE, DEC.21-(AP)-SENATOR TYDINGS (D-MD) DECLARED TODAY THAT THERE ARE 3,707 RUSSIAN GOVERNMENT OFFICIALS IN THE UNITED STATES ON TEMPORARY VISAS.

THE BUREAU OF IMMIGRATION AND NATURALIZATION FURNISHED HIM THE FIGURES, HE SAID IN A BROADCAST, AFTER HE HAD RECEIVED MANY INQUIRIES FROM CONSTITUENTS WHO WANTED TO KNOW HOW MANY SOVIET CITIZENS ARE IN THIS COUNTRY.

THE BUREAU'S CHECK, TYDINGS SAID, ALSO INDICATED THAT THERE ARE 131 RUSSIAN VISITORS HERE FOR BUSINESS REASONS, AND 219 RUSSIAN MEMBERS OF INTERNATIONAL ORGANIZATIONS.

"AT THE END OF DECEMBER, 1940," TYDINGS ADDED, "THERE WERE 353,817 ALIENS WHO REGISTERED AS CITIZENS OF RUSSIA. SINCE THAT TIME, THE FIGURE HAS BEEN REDUCED BY NATURALIZATION, DEATH AND EMIGRATION, AND INCREASED TO A VERY SMALL DEGREE BY IMMIGRATION. IT IS ESTIMATED THAT AS OF TODAY, TAKING INTO ACCOUNT ALL THESE FACTORS, THE FIGURE OF 206,000 REPRESENTS THE ALIEN RESIDENTS NOW IN THIS COUNTRY, OF RUSSIAN NATIONALITY."

LT957PESNM

DEC 1947

-END-

DEC. 21, 1947 C

Britain Opposing Reparations Ban

London, Dec. 22 (AP)—Britain and the United States will exchange views immediately over the American State Department's decision to halt further reparations deliveries of dismantled German plants to Russia and eastern Europe, the Foreign Office announced today.

High Government sources said Britain opposes the move because it would, in effect, void the Potsdam Agreement and could open the way for far-reaching Soviet reprisals.

The Foreign Office spokesman emphasized that Britain has taken no decision to discontinue delivery of reparations equipment to Russia or Russion-orbit states.

Deliveries To Continue

He said shipments of German plants dismantled in the British zone would continue, although there obviously would have to be consultations with American zonal authorities on details.

Britain's opposition to the American policy—announced Friday by Senator Vandenberg (R., Mich.)—was expressed first, the spokesman said, in a conversation on the subject between Foreign Secretary Bevin and Secretary of State Marshall during the recent session here of the Council of Foreign Ministers.

Marshall Plan Vs. War

Meanwhile, Bevin said today that he hoped the United States Congress would not reduce appropriations for the European recovery program because another war would cost "a thousand times over."

Addressing the Association of American Correspondents in London, he said no one must be allowed to prevent those countries willing to co-operate from making the Marshall plan a success.

Bevin said "the curtain has rung down on the first act," interim aid, and President Truman's recent declaration signaled the start of the second act.

Policy In Reich

London, Dec. 22 (AP)—An American decision to halt reparations deliveries of dismantled German factories to Russia and eastern Europe raised tonight the likelihood of a broadscale review by Britain and the United States of German occupation policy under the Potsdam pact.

An immediate exchange of views on the industrial-reparations issue between the two western powers was assured, but its long-range implications provoked speculation on whether it would lead to a breakdown in the Allied Control Commission for Germany.

In Berlin, Gen. Lucius D. Clay and General Sir Brian Robertson, the American and British military governors, emphasized they hoped for and desired continuance of the four-power commission, and that the western allies had no intention of withdrawing from it or leaving Berlin.

Fearful Of Breakdown

Clay said British-American authorities planned immediate steps to strengthen economic unification of their occupation zones, but that political unification of western Germany would await approval of the German people.

The British were frankly fearful of a breakdown of the Allied Control Council in Germany. High-level governmental informants in London said Britain would be reluctant to stop reparations deliveries from her zone because it might lead to Soviet reprisals.

The issue took on added import in the light of the foreign ministers' conference breakdown and the determination of the major western powers to utilize Germany's industrial machine within the framework of the Marshall plan for European recovery.

Concerned Over Ban

Ernest Bevin, British Foreign Secretary, was reported concerned over the chance that an out-and-out ban on industrial deliveries by the two major western powers would end all chance of making the control commission in Berlin work, and would harden the division within Germany.

Diplomatic informants expressed concern that any greater rupture, especially since breakdown of the foreign ministers' negotiations, might bring an end to British-American administration in Berlin.

Yet it became increasingly apparent that such a development would not be permitted to stand in the way of full utilization of Germany's resources to contribute to Europe's recovery.

Underscored By Bevin

This was underscored directly by Bevin himself. In a speech before the Association of American Correspondents today he said the door of co-operation "is wide open to the friends in the East to come in," but added:

"If co-operation is not forthcoming in the task of giving humanity a decent chance of rebuilding a decent peace, then no one must prevent those willing to co-operate from co-operating."

In an indirect reference to Soviet attacks upon the Marshall plan, he said:

"Indeed, even now we cannot understand why the propaganda should continue to try and use this beneficient act of the United States to split the world."

He asked the newsmen to relay to the American people, on behalf of the British Cabinet, "our gratitude for the providential inspiration that prompted" President Truman's message to Congress last Friday asking $17,000,000,000 for the Marshall plan.

British Labor Party Starts 'Red' Drive

London, Dec. 22 (AP) — Britain's ruling Labor party launched today a campaign against Communist "infiltration and intrigue" within the organization, and the Communists immediately branded the drive a United States-inspired plot to link this country with France and Italy in an attempt to split the trade-unions.

Warning that the Communists were out to "sabotage" the Government, Labor Party Secretary Morgan Phillips dispatched a letter to all labor groups—including the trade-unions—in which he urged that they take the offensive against Communist influence within the party.

Daily Worker Replies

The Communist *Daily Worker* at once retaliated by declaring:

"This attack follows months of preparatory work by the United States State Department, acting partly through its embassies and partly through paid agents of the American Federation of Labor.

"Their aim is to split the unions of France, Italy and Britain. Phillips's letter obediently parallels the tactics used by the reactionaries in France."

This obviously was a reference to developments last Friday in Paris, where the anti-Communist minority wing of the Communist General Confederation of Labor (CGT) voted to secede and form its own national trade group.

Joined "Cold War"

In his letter Phillips said that the British Communist party had joined the Cominform's "cold war" against the western brand of socialism and against the Marshall aid plan for European recovery.

"We can expect Communist-inspired attempts to foment discontent in factories and workshops, which may result in slowing down and hampering the production drive," he said.

According to best estimates, based on recent election returns, there are only about 50,000 Communists in Britain, but they hold a number of key trade-union posts—especially among groups so vital to Britain's recovery program as the miners, engineers and transport workers.

Moscow Radio Blast

Even as Phillips's letter was being distributed the Moscow radio launched a new blast against the Marshall plan, declaring its "essence" was "war."

Combining its commentary on President Truman's message to Congress Friday with a discussion of Marshall's address the same day on the failure of the Big Four talks in London, the Moscow broadcast said:

"When the United States announced a four-year program of expenditure to revive Germany's heavy industry, her war potential, one recalls another four-year program for the development of German economy—the notorious plan of Goering and Hitler.

"This plan was adopted in 1936 to prepare the German war machine for the second world war, and [Hjalmar] Schacht was the financial head behind that plan, too. Now we see another four-year plan for so-called aid to Europe, and again the sinister figure of Schacht. The essence of the two plans is the same—war."

The references to Schacht apparently were based on stories from Berlin some months ago disclosing that the former Reichsbank president had been questioned by United States occupation authorities.

Schacht is now serving an eight-year term imposed by a German de-Nazification court following his acquittal in the first of the Nuernberg trials.

Critics of British Press Prejudiced, Editors Say

LONDON, Dec. 22 (AP).—The Guild of British Newspaper Editors has described as "prejudiced and tendentious" some recent criticism of the accuracy of the British press.

Evidence submiteed by the guild and six other organizations representing publishers and editors was published today by the Royal Commission appointed early this year to investigate ownership and other aspects of the press.

"Standards of press accuracy are much higher than is suggested by a good deal of recent criticism, much of which is prejudiced and tendentious," the guild said. "Press error—sometimes relatively trivial error—is magnified; press accuracy is seldom commented on."

Other organizations submitting the evidence published today were the Newspaper Society, Society of Editors, Newspaper Proprietors' Association, Periodical Trade Press and Weekly Newspaper Proprietors' Association, the Scottish Daily Newspaper Society and the Scottish Newspaper Proprietors' Association.

Greeks Call Up Troops To Fight New Red Drive

LONDON, Dec. 22 (AP).—A Greek Embassy spokesman said today that his government is bolstering hurriedly its military and civilian forces to meet a Communist-led guerrilla offensive expected to start inn the northern Greek provinces "in a matter of days."

Alexander A. Pallis, head of the Greek government's information department in London, said a new call-up of thousands of troops, plus formation of a 50,000-man home guard, has been ordered by officials in Athens with American sanction.

Mr. Pallis charged that Yugoslavia, Albania, Bulgaria "and now Romania, too," would support the guerrilla offensive with men and material. He said Nicholas Zacharíades, Greek Communist leader, is believed to be in Belgrade planning the offensive with Yugoslav support.

French Bid For Deal On Red Citizens

Paris, Dec. 22 (AP)—The French Foreign Ministry said today Russians holding French citizenship papers will be permitted to leave France only when and as French nationals in the Soviet Union receive requested exit visas.

The Ministry said it had received a note from Soviet Ambassador Alexandre Bogomolov asking France to permit the repatriation of Armenians holding Russian citizenship.

French officials commented that France places no obstacle to the repatriation of emigre Russians who have reverted to Russian citizenship, but that Russians who have French nationality by naturalization or birth are in a different category.

These, said Foreign Ministry officials, will not be permitted to leave France as long as the Soviet Government refuses exit visas to French nationals in the Soviet Union who desire to return to France.

Italian Assembly Approves New Constitution

Rome, Dec. 22 (AP)—A Constitution for the Italian republic was approved tonight by a 453-62 vote in the Constituent Assembly, which spent seventeen months drawing up the charter.

Monarchists and Nationalists voted against the document. It formally ends the reign of the House of Savoy.

Enrico de Nicola, who has been provisional president, was acclaimed as the first republican President.

Preamble Change Rejected

A Christian Democrat deputy, Giorgio la Pira, presented an eleventh-hour proposal that the preamble read:

"In the name of God, the Italian people gives itself the following constitution."

Communists objected. Former Premier Francesco S. Netti said he sympathized with la Pira's proposal, but believed the moment inopportune. Several deputies of la Pira's own Catholic party expressed the same view. La Pira finally withdrew his suggestion.

Food Strike Ends

The Labor Ministry announced that 300,000 food workers who staged a nation-wide strike 48 hours ago had agreed to return to work at midnight tonight on a promise of increases in wages and severance pay.

The announcement removed the threat of Christmastide food shortages confronting the nation and temporarily relieved pressure on Premier Alcide de Gasperi's Government, embarrassed by a multitude of Leftist-inspired strikes and labor disorders.

Some observers, however, expressed the fear that Leftist-led labor's continuing demands for greater benefits would wreck the anti-inflation budget of Vice Premier Luigi Einaudi.

Pact Reached At Parley

The office of Labor Minister Amintore Fanfani said the agreement ending the strike had been reached at a conference attended by Fanfani, employers and representatives of the Communist-dominated General Confederation of Labor.

The conference was said to have lasted almost all of yesterday.

The Communists, having demonstrated their control over industrial workers, held meetings yesterday to show their agrarian strength.

The largest was conducted at Bologna, ostensibly for the purpose of working out a national program for agricultural reform. De Gasperi's own Christian Democrats, the Republicans and Giuseppe Saragat's anti-Communist Socialists boycotted the meeting.

Warns Government

Pietro Nenni's pro-Communist Socialists held a meeting at Avezzani in central Italy, at which he warned the Government to be aware of dangers he said lurked in the Marshall aid program.

"The Truman doctrine," he said, "tends to make the Mediterranean countries an outpost of the conflict between East and West. If Italy yields to this policy she will become the battle ground of a third world war."

He said his party's position on the Marshall plan was "critical, not negative." And added:

"American aid is natural because the United States came out of the war with fewer losses and an intact economic potential."

ITALY ADOPTS CONSTITUTION

DeNicola Becomes First President Of Republic

Rome, Dec. 22 (AP)—The Constituent Assembly approved tonight a constitution for the republic of Italy, thus formally ending the reign of the House of Savoy.

The vote, which marked the conclusion of seventeen months of work on the charter, was 453 to 62, with most of the Monarchists and Nationalists casting negative ballots.

Enrico de Nicola, who under the constitution becomes the first President of the republic, told the deputies in a message that they had completed an "historic document" upon which "the judgment of history would be serene." De Nicola has been serving as provisional president.

Proclaimed After Plebiscite

Italy actually was proclaimed a republic on June 9, 1946, after a plebiscite on the issue went against the monarchy. The last king, Umberto II, subsequently went into exile in Portugal.

Today's action was carried out solemnly and with emotion. The deputies cheered when Vittorio Emanuele Orlando, Italian premier in World War I and the last surviving member of the Big Four of the Versailles Treaty, spoke of the work the Assembly had done and ended with the words: "God save Italy."

Two other elder statesmen, Ivanoe Bonomi and Francesco Saverio Nitti, also were present.

James C. Dunn, United States Ambassador; Sir Victor Mallett, British Ambassador, and Jacques Fouques, French Ambassador, witnessed the proceedings.

Announcement Cheered

There was applause and cheering when Umberto Terracini, Communist President of the Assembly, announced the vote. Everyone stood.

Premier Alcide de Gasperi pledged his government to the new charter and expressed the hope that the future would find the same concord that today's voting displayed.

Momentarily, at least, there were no major strikes in Italy and there was at least a pause in the Leftist-led demonstrations directed against de Gasperi's Government, from which Communists and pro-Communist Socialists have been excluded.

The first full-fledged Parliament under the republic will come into being after an election next spring.

Three of eleven civilians wounded in yesterday's rioting in the Sicilian city of Canicatti died today, bringing to 26 the total number of deaths resulting from disturbances in Italy during the past six weeks.

U.S. Aid For Italians Held Key To Freedom

Civitavecchia, Italy, Dec. 22 (AP). United States Ambassador James C. Dunn said today that American aid to Italy was intended to help keep her "free to choose her own sovereign destiny" without outside dictates.

The Ambassador, attacked last week by Communist Party Leader Palmiro Togliatti for assertedly trying to fuse Italian sentiment against Communism, came here with high Italian Government officials to welcome the two hundredth ship arriving under the post-UNRRA grant-in-aid program.

Dunn said use of American taxpayers' money "to aid Italy to survive the dislocation and chaos" of war attested American confidence in "the spirit and integrity of Italy."

"Our Objectives"

"Our objectives are the same—independent nations composed of free men and women," he said.

"This two hundredth ship represents the friendly desire of the American people that Italy will prosper and remain free to choose her own sovereign destiny, a destiny which represents the will of her own people and not one subject to dictates from outside."

The ship was the Frederich von Steuben, bringing 9,500 tons of wheat.

"Individual Liberty"

Dunn said American aid to Italy since the disappearance of UNRRA June 30 has reached 1,800,000 tons, made up of 418,000 of wheat and flour, 1,345,000 of coal and 9,000 tons of other foods, plus medical supplies.

"At no time during the last three months, either night or day, were less than 30 of these ships on the high seas bound for Italy," he said.

"It is a prodigious accomplishment, the kind of performance in organization which Americans have developed under the stimulus of individual liberty."

Nazis Sentenced On Slave Labor, Looting Counts

Nuernberg, Dec. 22 (AP)—Friederich Flick, 64-year-old head of Germany's largest privately owned coal, iron and steel empire, was sentenced to seven years' imprisonment by an American military tribunal today for exploiting slave labor and looting German-occupied countries.

The 2½ years which Flick already has spent in confinement will be deducted from his sentence.

Otto Steinbrinck, Flick's principal associate, was sentenced to five years in prison and Flick's nephew, Bernhard Weiss, was sentenced to serve 2½ years.

Three other Flick associates who were defendants in the six-months trial were acquitted on all counts.

Belonged To SS

Steinbrinck was found guilty of membership in the SS and of supporting that organization's criminal activities, but was acquitted on the other major counts.

Weiss was found guilty of exploiting and mistreating slave labor.

Both prosecution and defense attorneys expected the verdict against Flick to bear considerable weight in connection with the trials of officials of the I. G. Farben chemical trust and the Krupp armament works which are now in progress.

The court—consisting of Charles B. Sears, of the Court of Appeals of New York, as president and judge, and Judges Frank N. Richman, of Indiana, and William C. Christianson, of Minnesota—dismissed the charge that Flick and two of his associates acquired Jewish property through Nazi confiscations.

Violated Geneva Pact

Under the charge of slave labor, the court found both Flick and Weiss guilty of procuring a large number of Russian war prisoners to manufacture military equipment, such as freight cars, in violation of the Geneva Convention.

"Steps taken in this instance were initiated not in governmental circles but in plant management," the court said. "They were not taken as a result of compulsion or fear, but admittedly for the purpose of keeping the plant as near capacity production as possible."

In acquitting Flick's other aides on this same count, the court held that they acted "under compulsion" because the Nazis would have regarded their objections to the use of slave labor as "sabotage" of the war effort.

Not Guilty Of Cruelty

The judgment added that the defendant carried out measures "conducive to humane treatment and good working conditions" for all their laborers, contrary to the prosecution's charges of mistreatment and exploitation.

The second count dealt with charges that Flick and his assistant, Weiss, Odilo Burkhart and Konrad Kaletsch exploited industrial properties at Rombach, France, in Latvia and in the Ukraine.

"No defendant is shown by the evidence to have been responsible for any act of pillage as that word is commonly understood," the court said.

Tried To Enlarge Holdings

It added, however, that it found Flick alone guilty of seeking "to add the Rombach property to his concern" by taking advantage of "possibilities resulting from the invasion" of France.

Flick in his defense maintained that once the war started he acted only as a normal patriotic business man and that he and his associates would have laid themselves open to reprisals by the Nazis had they acted in any other way.

Unlike Farben and Krupp, Flick and his associates were not charged with aggressive warfare.

Disclaimed Nazi Link

The court said there was "some shade of justification" for defense claims that "in their persons industry itself is being prosecuted," because they were not officially connected with the Nazi Government but private citizens engaged in heavy industry.

In overruling a defense motion attacking the court's jurisdiction the tribunal contended that it was an international court not bounded by the general statutes of the United States nor even by parts of the United States Constitution.

7-YEAR TERM IS GIVEN FLICK

U.S. Tribunal Decrees Prison For German Magnate

Nuernberg, Germany, Dec. 22 (AP). An American military tribunal today sentenced Friederich Flick, 64-year-old German industrialist, to seven years imprisonment for exploiting slave labor and looting German-occupied countries.

Flick, head of Germany's largest privately owned coal, iron and steel empire, already has spent two and a half years in confinement. This time will be deducted from his sentence.

Three Acquitted

The verdict against him is expected by attorneys to bear considerable weight in connection with the trials of officials of the I. G. Farben chemical trust and the Krupp armament works, which now are in progress before other military tribunals. Unlike the Farben and Krupp defendants, Flick was not charged with aggressive warfare.

Five of Flick's associates were codefendants during the six-month trial. Two of them were convicted and three were acquitted.

Otto Steinbrinck was found guilty of membership in the SS (Elite Guard) and of supporting that organization's criminal activities, but was acquitted on other major counts. He was sentenced to five years.

Convention Held Violated

Flick's nephew, Bernhard Weiss, was found guilty of exploiting and mistreating slave labor and was sentenced to two and a half years.

Both Flick and Weiss, the court found, were guilty of using a large number of Russian war prisoners to manufacture military equipment, such as freight cars, in violation of the Geneva Convention.

30.24-14409

During the trial the defendants claimed that "in their persons industry itself is being prosecuted," since they were not officially connected with the Nazi Government, but were private citizens engaged in heavy industry. The tribunal held there was "some shade of justification" for this contention.

Russ Journalist Held In GI Death

Vienna, Dec. 22 (AP)—American army officials said today a letter will "probably" be sent to Soviet occupation authorities charging Stefan Ingrin, a Russian journalist, with "some degree of murder" in connection with the death of Pfc. Samuel Gearhart, 23, Allentown, Pennsylvania.

The United States officials made the statement as they identified Gearhart as the American soldier who died Saturday from injuries suffered in a fight with Ingrin.

Col. H. B. Hurless, the provost marshall, said Ingrin told American authorities he had been "insulted" and started the fight. He said he heard Gearhart say something about a "Rusky" to an unidentified Viennese girl in front of the hotel, where the fight occurred.

Gearhart died three hours later in the American military hospital. A medical examination disclosed he had been kicked several times on the head.

Hurless said Ingrin, who stands over 6 feet tall, admitted to American authorities he had been drinking but said that Gearhart, who was 5 feet 3 inches tall, had also been drinking.

Hurless said the Russians had been "most co-operative" thus far in the investigation and that the Russian was being held by the Soviet Kommandatura.

roadblock in the Istrian peninsula last January, but was released. Most of the peninsula was transferred from Italy to Yugoslavia under the Italian peace treaty.]

Belgrade newspaper accounts of the trial quoted Sempliciano Albino Gomiero, superior of the monastery of St. Anthony in Pola and chief defendant, as having testified that "church regulations do not permit" espionage work, but that he was "getting orders from my superiors."

The Communist newspaper *Borba* reported yesterday that seven other friars had been sentenced to forced labor for terms ranging from six months to six years on charges of engaging in acts against the Government of Premier Marshal Tito.

They were accused of organizing an underground railroad for the escape of "Ustashi and Chetnik war criminals" and of collecting political and economic information for foreign powers, *Borba* said.

Friars Jailed By Yugoslavs

Belgrade, Yugoslavia, Dec. 22 (AP). Tanjug, Yugoslav news agency, said tonight the regional court of Pola had convicted five friars of spying and sentenced them to prison terms ranging from three to sixteen years. The terms will be accompanied by forced labor and loss of political rights.

Espionage Trial Of 5 Friars Concluded In Yugoslavia

Belgrade, Yugoslavia, Dec. 22 (AP)—Conclusion of the trial at Pola of five friars charged with espionage in the Istrian peninsula was announced today. The sentences have not been handed down.

Yugoslav press dispatches said all of the defendants had admitted operating an illegal radio station in Pola "on orders from the Vatican and particularly from Bishop Radossi in Italy."

[Bishop Raffael Mario Radossi, of Parenzo and Pola, was detained by Yugoslav authorities briefly at a

Sempliciano Albino Gomiero, superior of the Monastery of St. Anthony in Pola, was sentenced to sixteen years' imprisonment upon conviction of operating an unlicensed radio station in the cloister.

Confessions Claimed

Other sentences: Six years, Serafino Giuseppe Matielo, monastery custodian, and Bernardo Ernest Beneke; four years, Atanasio Christiano Costiancic; three years, Ambrogio Roberto Belato.

Yugoslav news dispatches said all five men confessed they had operated the unlicensed station on orders from the Vatican and particularly from Bishop Radoshi in Italy."

[Pola and most of the rest of the Istrian peninsula passed from Italian to Yugoslav rule last September by treaty. Bishop Raffaele Mario Radossi of Parenzo and Pola was detained by Yugoslav officials for a short time last January at an Istrian peninsula road block.]

YUGOSLAV ARMY HAILED

General Calls It 'Unbeatable'—Says U. S. Is Plotting War

BELGRADE, Yugoslavia, Dec. 22 (AP)—A ten-gun salute opened the celebration today of the sixth anniversary of the founding of the new Yugoslav Army, and Belgrade newspapers devoted almost their entire editions to articles and speeches proclaiming its strength.

Three full pages were given to a speech last night by Lieut. Gen. Svetozar Vukmanovic before Premier Marshal Tito and other high-ranking Yugoslav military leaders.

Vukmanovic charged "American imperialists" with plotting war against Russia and pro-Soviet countries.

Army "Unbeatable"

He said the Yugoslav Army was "unbeatable" and it was necessary to point this out "when American imperialists are preparing, regardless of their ability, for a new war—a war to master the world."

The Yugoslav General said this was demonstrated by the United States' policy of establishing strategic bases in the Atlantic, Pacific and Mediterranean and by "direct intervention in the affairs of Italy, Greece and Turkey."

He said "American imperialists with this system of strategic bases are, in fact, taking the offensive position for an attack against the Soviet Union and other people's democracies."

The army officer said Yugoslavia was strengthening her defense through the aims of the five-year plan.

Yugoslavia Army Strength Bared

Belgrade, Yugoslavia, Dec. 22 (AP). Lieut. Gen. Svetozar Vukmanovic said last night, celebrating the sixth anniversary of the founding of the new Yugoslav Army, that Yugoslavia had "developed such military power as will be able to maintain and save our state borders and the independence of our country."

The speech was delivered at a gathering of high-ranking officers, with Premier Marshal Tito present.

Vukmanovic said that "American imperialists are preparing, regardless of their ability, for a new war—a war to master the world."

U.S. "Intervention"

He asserted that United States objectives have been proved by the establishment of strategic bases to control the Atlantic, Pacific, Mediterranenan and the Near East and by "direct intervention in the affairs of Italy, Greece and Turkey."

"The American imperialists," he continued, "with this system of strategic bases, are in fact taking an offensive position for an attack against the Soviet Union and other peoples of the democracies" (meaning other states in the Soviet orbit).

Yugoslavia, he said, is not isolated, having "agreements of mutual aid and assistance with all Slav countries as well as with Albania, Hungary and Romania."

In connection with the army celebration, eight lieutenant generals were promoted to colonel generals. This was the first time the rank of colonel general has been held in Yugoslavia. Among those promoted was Kocha Popovic, chief of staff.

Hungary Taxes Travelers Abroad

Budapest, Dec. 22 (AP)—The Government today imposed taxes on traveling abroad.

Persons leaving Hungary must pay a "frontier tax" of 30 forints ($2.58) daily for the first ten days, 60 forints ($5.16) daily for the next ten days and 100 forints ($8.60) for each day after 20.

Other severe difficulties had been imposed previously.

25 S.S. Officers Doomed For Atrocities

Krakow, Poland, Dec. 22 (AP)—Krakow's Supreme National Tribunal today sentenced 23 top-ranking German SS (Elite Guard) offi-

cers to die for crimes against humanity committed while they were attached to the notorious Auschwitz (Oswiecim) extermination camp.

Five other defendants were sentenced to life imprisonment, six were given fifteen-year terms, two were sentenced to ten-year and three to five-year terms. One defendant—Dr. Hans Munch, of Munich—was acquitted.

Heading the list of those sentenced to death was Arthur Liebehenschel, 46, who succeeded Rudolf Hoess, one-time commandant of the camp who was executed last April.

Killed 10,000 Women

Death sentences were also given to the assistant camp commandant, Max Grabner, 42; Hans Aumeier, 41; Johan Kremer, 64, and Maria Mandel, 35. Kremer was convicted of putting thousands of war captives to death by psuedo-medical experiments. Mandel, described as a ruthless sadist, was accused of personally killing 10,000 women.

Poles and foreign observers in the improvised courtroom in the National Museum here listened to a nine-judge supreme tribunal describe the defendants as mass murderers.

The prosecution had estimated that 4,500,000 persons died from starvation, torturing, hanging and in the gas chambers at Auschwitz, 50 miles west of Krakow, during the war.

All of the defendants, using head-phones, listened coldly and impassively as Chief Justice Alfred Eimer read the verdicts.

In Nuernberg style, the court review of evidences was translated into five languages.

4 Women Convicted

Four shabbily dressed women were among the defendants. The Mandel woman was separated from the others. Her chief assistants in the mass killings at the camp, Clarissa Brandel, 36, and Hildegard Martha Louise Lechert, 27, were sentenced to life imprisonment. The other woman, Alice Orlowski, got fifteen years.

The ages of the defendants ranged from 26 to 64. They included ten administrators, seven prison bloc leaders and sentries.

The court reviewed testimony since the trial started November 24, unfolding what was described as Nazi Germany's master plan to exterminate all Jews, Slavs and people of all nations opposed to Hitlerism.

Evidence was introduced to show that the Nazis had planned to kill 10,000,000 Europeans each year in gas chambers and crematoriums.

Thousands Gassed

Hundreds of thousands of prisoners from France, Italy, the Netherlands, Belgium, Czechoslovakia, Hungary, Russia, Poland and other countries invaded or occupied by the Germans died in the camp gas chambers.

Witnesses said that, out of 120,000 French prisoners taken to the prison camp, only 3,000 returned home. Among those killed were 100 unidentified American citizens.

Curt T. Ponzer, American official observer representing the United States war-crimes prosecution staff at Nuernberg, described the trial as fairly and objectively conducted.

DEATH DECREE GIVEN 23 NAZIS

Woman Among Camp Staff Sentenced In Poland

Krakow, Poland, Dec. 22 (AP)—Poland's biggest mass war crimes trial ended today in death sentences for 23 top-ranking German SS (Elite Guard) officers, including a woman accused of sadistically putting 10,000 of her own sex to death at the notorious Oswiecim concentration camp.

All were attached to the staff of the camp. The prosecution estimated 4,500,000 victims of nazism died there during the war of starvation, torture and on the gallows and in gas chambers. The camp was situated 50 miles west of Krakow.

Can Be No Appeal

The sentences were passed by the supreme national tribunal. There can be no appeal, although the defendants can address pleas for clemency to the President of Poland. They were convicted of crimes against humanity.

In addition to the 23 sentenced to die, five defendants, including two women, were given life terms, six were give fifteen-year terms,

two were sentenced to ten years and three to five years.

One of the 40 accused, Dr. Hans Munch, of Munich, won acquittal.

The woman accused of killing 10,000 women, Maria Mandel, 35, displayed no emotion when her death sentence was read.

Life Terms For Assistants

Her chief assistants in the mass killings, Clarissa Brandel, 36, and Hildegard Martha Louise Lechert, 27, received life terms. Another woman defendant, Alice Orlowski, got fifteen years.

Others sentenced to die included Arthur Liebhenschel, 46, who succeeded Rudolf Hoess, one-time commandant at Oswiecim who was executed last April for war crimes; Max Grabner, 42, assistant camp commandant; Hans Aumeier, 41; Johan Kremer, 64.

Kremer was convicted of putting thousands of war captives to death by false medical experiments.

Master Plan Unfolded

The court, in reviewing testimony since the trial started on November 24, unfolded what it described as a master plan of the Nazis to exterminate all Jews and Slavs, and people of all nations opposed to Hitlerism.

The court said the evidence disclosed that the Nazis planned to kill 100,000,000 Europeans each year in gas chambers and crematoriums.

Among those killed were 100 unidentified American citizens.

Reds Criticize U.S. Broadcast On 'Crisis'

DEC 1947

Moscow, Dec. 22 (AP)—*Pravda*, Communist party organ, has assailed the United States State Department "Voice of America" broadcast of December 3 for disseminating what it describes as "slanderous information of an economic crisis in the Soviet Union."

[The broadcast said rumors of imminent price increases and impending devaluation of the ruble had touched off a purchasing fever in the Union of Soviet Socialist Republics. Revaluation of the ruble and elimination of rationing were announced in Moscow December 14.]

Hits "Slanderous" Report

"The decree of the Council of Ministers of the United Soviet Socialist Republics and the Central Committee of the Communist party on money reform and repeal of the ration system," *Pravda* said, "showed Soviet reality was as far away from the 'wishes' of the American reactionaries as heaven from earth.

"This decree was not only one more evidence of the invincible power of Socialist economics, not only a new step to improvement of the material welfare of the Soviet people, but also, in the eyes of the whole world, it pilloried with scorn the authors of slanderous information of a crisis in the Soviet Union."

Pravda said the effect of the broadcast was seriously damaging to the prestige of the American diplomatic corps and seriously discrediting to the "Voice of America."

Raps U.S. Congressmen

Quoting the *Christian Science Monitor* to the effect the December 3 broadcast was founded on telegrams received from diplomatic representives of the United States, *Pravda* asserted it was obvious such telegrams must have emanated from Moscow. (Actually, an editor of the *Monitor* said in Boston the newspaper credited the information specifically to the United State Embassy in Moscow.)

The Soviet organ referred scornfully to certain American congressmen who, it said, were taken in by the "Voice of America" and, as a result, "turned out to be fools."

Village Fight Reported

ATHENS, Dec. 22 (AP)—Press reports said today that Greek forces had surrounded the village of Aghios Athanassios, about nine miles south of the Yugoslav border, and killed nineteen guerrillas and captured twenty-six.

Large quantities of ammunition, ten machine guns, two mortars, forty-five rifles and fourteen cases of grenades were captured, the dispatches said.

Another report said that guerrillas had attacked a convoy of thirty-four vehicles on the Salonika-Serres road, destroyed two and set four on fire. Two soldiers and a driver were killed. Guerrilla losses were said to have been heavy.

German General Sentenced

Athens, Dec. 22 (AP)—Gen. Alexander Andre, German Military Governor of Crete in the latter stage of the occupation, was sentenced to life imprisonment for war crimes tonight by a special tribunal. He was charged with wholesale massacres and the burning of entire villages.

Tito Treaties Hint Of New Bloc, Turk Says

Ankara, Turkey, Dec. 22 (AP)—Foreign Minister Necmeddin Sadak told the National Assembly today it is "impossible not to see" the formation of a bloc in the series of treaties Premier Marshal Tito of Yugoslavia has signed with other Balkan nations.

He said Turkey believed the accords were defensive in nature and directed toward "preservation of peace in the Balkans." He said he knew of no secret clauses.

"Those pacts were signed through the results of active external politics in those nations," Sadak said. "This means unity in the Balkan nations."

Sadak said it was presumed that the signatory nations—Yugoslavia, Romania, Hungary, Bulgaria and Albania—discussed Greece and that there were reports that the agreements might be "directed against imperialist expansion of Turkey and Greece."

"It is ridiculous to call Turkey, a peace-loving nation, imperialistic," he said. "Similarly, it is outside all probability that Greece, now faced with civil war, could have any imperialistic tendencies."

Seven Romanian Diplomats Recalled

Istanbul, Turkey, Dec. 22 (AP)—Authoritative sources said today that seven Romanian diplomats in Turkey had been ordered to return immediately to Bucharest.

The return order was given by Ambassador Gregory Moisil after he arrived yesterday from Bucharest. Only two persons of the Romanian diplomatic staff were reported allowed to remain.

These were Ion Magheru, embassy counselor who will become consul general here, and Ion Mattei, one of two press attaches in Istanbul. Neither the embassy at Ankara nor the consulate at Istanbul would comment.

Istanbul Military Rule Ends

Istanbul, Turkey Dec. 22 (AP)—Seven years of military rule over Istanbul and Turkish Thrace ended with the lifting of a state of siege at midnight tonight. Istanbul's police force was doubled to insure peace.

Gen. Chennault Omits Honeymoon

DEC 1947

Rudnick

Returns to Air Transport Service Job as Chinese Bride Resumes Work as Reporter.

Shanghai, Dec. 22 (A. P.).—Passing up a honeymoon, Gen. Claire L. Chennault, commander of the wartime Flying Tigers, was at his Air Transport service desk as usual today after surprising friends by taking a 24-year-old Chinese reporter as his second wife.

In a Lutheran ceremony yesterday, performed under a giant bell of chrysanthemums, out of which doves flew, the 57-year-old retired Major-General married petite, English-speaking Anna Chan.

A small circle of friends witnessed the single-ring rites at Chennault's big home in Holly Heath, toasted the couple's health with Chinese champagne, then sat down to a wild duck dinner. His chief recreation is duck hunting.

Chennault's favorite black Dachshund, Joe, twice interrupted the ceremony, performed by the Rev. Ralph Mortensen of the China Bible House. Each time, the dog had to be shooed from the room.

Today, the bride, a modishly dressed woman whose romance with Chennault blossomed a year ago, returned to her city beat for the Chinese Central News Agency, but she was somewhat undecided whether to keep her job. On several occasions, it had called for interviews with Chennault.

The famed airman, whose first marriage to his American wife ended in divorce in 1946 after thirty-five years, had notified intimate friends only two days ago that he planned to wed Miss Chan, daughter of a Chinese consul. He explained that he wished to avoid the fuss of a big wedding. Chennault wore his Air Force dress uniform. Miss Chan was dressed in a white silk wedding gown and veil.

DEC 1947

Chinese Hint Mukden May Be Left To Reds

Nanking, Dec. 22 (AP)—Government sources expressed grave concern today that attacks by Chinese Communists on the Peiping-Mukden railway would force the Government to abandon besieged Mukden, major south Manchurian city.

These sources said it was proving almost impossible to supply the heavily garrisoned city by air.

Reports from Mukden said Deputy Director of the Airforce Gen. Wang Hsu-ping, the famed "Tiger Wang" of the war against Japan, had arrived there to confer with Gen. Chen Cheng, overall commander in Manchuria, on the problem of maintaining air support.

Chen To Return To Nanking

The Shanghai newspaper *Shun Pao* reported, meanwhile, that Chen Cheng had decided to return to Nanking to recuperate from an illness. It said Gen. Lo Cho-ying, deputy director of Chiang Kai-shek's Manchurian headquarters, would take command.

The seriousness of the situation in Mukden was underlined by the arrival in Peiping of five planeloads of Government officials and their families from the Manchurian base.

One of the officials, Sun Yueh-chi, vice chairman of the National Resources Commission, said the Reds had captured the Fushun and Yingcengtzu coal mines. He described the industrial mining situation in Manchuria as "economically bankrupt."

Official Is Optimistic

Optimism was expressed by Acting Minister of National Defense Chi Teh-chun, who told the weekly Kuomintang (Government party) memorial service in Nanking that the Communists' seventh offensive in Manchuria would "meet the same fate as the six former campaigns."

Chin predicted that bitter winter weather would blunt the Red offensive. He declared that Red soldiers lacked food and clothing and could not maintain pressure against Government lines for a long period.

Americans In China Imperiled By Reds

Nanking, Dec. 22 (AP)—Reports from Central China said today that Chinese Communists apparently were operating under instructions to arrest United States missionaries and other Americans because of United States support of Chiang Kai-shek's Government.

Informed sources here predicted a general withdrawal of foreign missionaries and teachers from Red-threatened areas north of the Yangtze River because of anti-foreign sentiment among the Communists.

Catholic leaders said a considerable number of foreign and Chinese priests had been arrested and otherwise mistreated since the Communists moved into the area between the Yangtze and the Yellow rivers.

Reliable reports also said Communists were operating openly on part of Tsungming Island at the mouth of the Yangtze, halting traffic and making "arrests" of government officials and foreigners unfriendly to the Reds.

Two government officials were said to have been taken from a car and executed while the rest of the party, which included a foreign priest, was allowed to go on only after hearing a long lecture on the advantages of communism.

The priest was asked if he was an American, the reports said, and when he replied in the negative was told: "That's a good thing for you."

30.24-14411

U.S. Girl Correspondent Buried At Nanking

Nanking, Dec. 22 (AP)—United States Ambassador J. Leighton Stuart officiated today at burial services for Barbara Stephens, young writer from Arlington, Va., who died in the crash of a Chinese Air Force transport plane in Sinkiang July 31.

Foreign correspondents and American Embassy officials participated in the service at the Nanking Foreign Cemetery, where the ashes were buried at the request of the young woman's mother, Mrs. N. E. Stephens, of Arlington.

Nanking Leader Flies To Mukden

Peiping, *Tuesday*, Dec. 23 (AP)—Gen. Fu Tso-yi, one of the few Government commanders who has battled successfully against Chinese Communist armies, flew to endangered Mukden, Manchuria, yesterday.

[Government quarters in Nanking acknowledge yesterday concern that Mukden might have to be abandoned if the Communists' seventh Manchurian offensive continues to gain.]

General Fu's trip to Manchuria for defense conferences followed reports that troops from his North-China command were being moved to the critical Mukden sector.

The *Social Welfare Daily*, in a story not denied in Government quarters, said that all usable sections of the Peiping-Mukden railroad were carrying heavy traffic of Government supplies and troops.

The paper said gunfire was audible nightly in Mukden and that one town on its outskirts had been lost to the Communists. Government planes were reported aiding the Mukden defenders resist attacks in the vicinity of the city.

Newsprint-Quota Cut Probe Promised

Shanghai, Dec. 22 (AP)—Chang Kia-gnau, chairman of the Export-Import Board, today ordered an investigation into slashes in newsprint quotas imposed by the Shanghai Newspaper Publishers Guild on the United States-owned Shanghai *Evening Post* and *Mercury* and the British *North China Daily News*.

In a letter to Randall Gould, editor of the *Post*, Chang said the final fixing of newsprint allotments rests with the Export-Import Board. He said the guild was authorized only to offer suggestions on allocations.

"I can assure you," the letter said, "that an equitable solution will be made at an early date."

Gould said in a statement that Chang's letter "is a complete indorsement of the position taken by the *Post* and *North China Daily News* in charging the guild overstepped its powers."

HIROSHIMA BALLET TELLS A-BOMB TALE

Kure, Japan, Dec. 22 (A. P.).—A Japanese ballet troupe from Hiroshima will perform for British occupation forces here Sunday—offering "The Story of the Atomic Bomb and Its Aftermath."

Texas Adopts MacArthur.

Tokyo, Dec. 22 (A. P.).—Gen. MacArthur is now an honorary Texan. That title was conferred on him recently by Gov. Beauford Jester through Ramey A. Smith, former District Attorney of Sulphur Springs, Tex.

Japan Sees 15 Years Of Housing Scarcity

Tokyo, Dec. 22 (AP)—It will take Japan fifteen years to eliminate its housing shortage, the Japanese Reconstruction Board estimates.

Goro Ito, chief of the board, says Japan was 2,650,000 houses short at the time of the surrender and repatriation of Japanese from abroad has swelled the total shortage to 4,150,000.

The Government so far has rebuilt 612,000 homes.

Gen. Byers Returning to U. S.

YOKOHAMA, Dec. 22 (AP).—Major General Clovis E. Byers, of Columbus, Ohio, 8th Army chief of staff since Sept. 7, 1944, will return to the United States next month for reassignment, Lieutenant General Robert L. Eichelberger, 8th Army commander, said today.

Six Japs Plead Innocent In Flyer's Death

Yokohama, Dec. 22 (AP)—Six Japanese pleaded innocent today before an 8th Army military commission on charges of stabbing an injured American flyer and killing him by smothering him with dirt.

The flyer, Lieut. Leland P. Fishback, of Thorntown, Ind., was captured, by Japanese police and turned over to the Japanese Army after the crash of a B-29 near Tokyo March 10, 1945.

The key defendant is Kimiya Ichinoe, former lieutenant colonel, who is charged with permitting his subordinates to "brutally kill' Fishback.

Australia to Get Jap Silk.

Kure, Japan, Dec. 22 (A. P.).—A shipment of raw silk valued at more than 250,000 pounds will leave this week for Australia and New Zealand.

U.S. War Dead Leave Australia

SYDNEY, Dec. 22 (AP).—Thousands of Australians attended war memorial services today as the bodies of 1,800 American soldiers, the last of America's war dead, were placed aboard the troop ship Groucher Victory for return to the United States.

JEWS REPORTED IN BATTLE WITH ARABS AT YAZUR

Large-scale Fighting Is Described as Reprisal for Convoy Attacks

10 MORE SLAIN IN DISORDERS

Three British Soldiers Wounded —Toll for Middle East Rises to 420.

Jerusalem, Dec. 22 (A. P.).—From reliable private sources it was announced today that large-scale Arab-Jewish fighting had broken out this morning at Yazur, scene of clashes yesterday which brought to 300 the unofficial count of deaths since the United Nations decided to partition the Holy Land.

The informant said that the fighting today developed when sizable Jewish forces—presumably units of Hagana—attacked Arab bands in reprisal for recent Arab attacks on Jewish truck convoys. Yazur is on the main highway between Jerusalem and Tel Aviv.

There were no immediate reports on casualties at Yazur, but a checkup of scattered disorders throughout the Holy Land yesterday showed that ten more persons had been added to the toll of dead.

The week-end bloodshed brought to 420 the unofficial tabulation of fatalities throughout the Middle East since the U. N. decision to partition Palestine.

British Jew Slain.

One of those slain yesterday was a 35-year-old British Jew, Robert Stern, an employee of the Palestine Government's Public Information Bureau, who was shot to death in Jerusalem 100 yards from his office.

The wounded included a British lieutenant and a sergeant-major, who were shot down in the center of Jerusalem by four unidentified youths. A British Army wireless operator also was wounded when an Arab band attacked two armored cars with machine guns near Tulkurm.

The sharpest clash between Jews and Arabs yesterday was reported in the town of Safad in upper Galilee, where one Arab was killed and three Arabs and two Jews were wounded in the third straight day of fighting.

Other Slayings Reported.

Two Jews were stabbed to death near the village of Yazur when the oil truck in which they were riding was stopped and set afire by a number of men officially described as Arabs. An Arab later was slain near Yazur in a gun fight between Arab bands and a Jewish truck convoy.

Northwest of Jerusalem, three occupants of an Arab bus were slain when fifteen or twenty men wearing the uniforms of the Palestine Police Force constables riddled the machine with gunfire. One Arab was killed in Haifa and another was slain in shooting along the Jaffa-Tel Aviv borderland.

BRITISH NAB JEWISH SHIP, REPORT SAYS

Boat, With 800 Aboard, Said To Have Sailed From Europe

Jerusalem, Dec. 22 (AP)—Jewish informants said tonight the British Navy had intercepted a refugee ship which had attempted to run the Palestine blockade with 800 uncertified Jewish immigrants.

The passengers, who sailed from European waters after the outbreak of partition violence in the Holy Land, were reported to have named their ship the AL Tafchiduni (You Can't Frighten Us).

Meanwhile, two Jewish adults and a child lost their lives in communal violence. Their deaths brought to 304 the number of persons killed in the Holy Land since the United Nations voted for partition November 29, an official tabulation showed. The toll for the entire Middle East stood at 424.

Frontiers Virtually Closed

Frontiers facing Palestine virtually were closed tonight to all non-Arabs as Middle East nations adjacent to the Holy Land intensified their preparations for war against Zionism.

Inside Palestine, where Christians face the prospect of a Christmas celebration in a troubled land, fighting broke out south of Jaffa. Two Jews were killed in that sector as Hagana defenders of Bat Yam engaged in a gun battle with Arabs in the village of Yahelia. Arab informants claimed an Arab also was killed there, but this was not confirmed officially.

A 9-year-old Jewish boy also was killed when Arabs attacked a Jewish bus in the same general area. The driver was wounded.

46 Arabs Arrested

Another group of Arabs killed a Jewish policemen on guard duty at the Sarafand Military Camp and stole his rifle.

British authorities, cracking down on gun-running, announced the arrest of 46 Arabs.

In the face of the bitter Arab-Jewish fighting some members on both sides were making their own personal peace.

In the port city of Haifa, Jews living in Arab districts have traded apartments with Arabs living in Jewish sections. Jews and Arabs also are working side by side on the docks and in the oil refinery and have co-operated to speed the shipment of Palestine's citrus crop.

Visas Being Refused

Haifa's warehouses were overcrowded and several ships were standing in the roadstead waiting to discharge their cargoes because owners of incoming goods are afraid to expose them to the dangers of road transport in the interior of Palestine.

Transportation between the countries of the Middle East was hampered not only by the anti-partition fervor of the Arabs but also by the threat of a cholera epidemic in Syria. Syrian sources said three deaths already had been reported out of seven cholera cases in their country.

Consulates in Jerusalem flatly refused visas to Americans seeking to travel in the Middle East outside Palestine except on direct appeal to the various capitals of the Arab countries.

Arabs Crowding Town To Join Anti-Jew Army

Nablus, Palestine, Dec. 22 (AP)—Armed members of an Arab youth organization, Munazimet Shabab, are massed in Nablus to fight against the partition of Palestine. Nablus is the Arab capital of the resistance movement.

The number of armed members is estimated at 10,000 and new faces appear daily. Many of the fighters are bearded. The town bristles with guns.

Non-Arab traffic is sealed off at both ends of Nablus, which was called Shechem in the Old Testament. Arabs with tommyguns guard road blocks at the approaches to the city of 35,000, in full view of British police in near-by barracks. On one occasion they required a high-ranking police officer to show his credentials.

Campfires Dot Hills

At night, campfires dot the rocky hills around the town. These mark abodes of Arabs gathering from the whole north-central belt of Palestine to join the youth organization.

In the late '30s, Nablus was the center of the four-year Arab fight against Jewish settlement. Peace finally returned when the British White Paper of 1939 limited Jewish immigration and colonization.

Volunteers to fight partition are reporting daily to the youth organization leaders, Faisel El Nablulsi and Hikmot El Masr. These chieftains direct the youth organization affairs in Nablus, Jenin and Tulkarm, the points of the "bloody triangle" in the revolt of the late '30s.

Jews Are Excluded

A network of road blocks from Nablus to Jerusalem keeps the area virtually inaccessible to Jews. Villagers along the way man the blocks and cordon the highways by maintaining vantage points high on the hills. Their arms are mostly pistols, knives, grenades and Bren guns.

Sporadic gunfire can be heard at all hours of the day and night in Nablus and along the highway to Jerusalem. Informants say "guns are being tested." But there are Jewish settlements at isolated points which the Arabs feel must be held under constraint.

Busiest At Night

In Daytime, Nablus appears normal.

At night, there is unusual activity in the streets as recruits go on assignments and new arrivals sign in at the youth headquarters. Most members of the organization wear flowing Arabic robes and headdress, but among them are men in the uniform of the Arab Nejada Army, formed two years ago in Jaffa and uniformed in surplus United States Army attire. Many openly wear pistols.

British police, charged by law to arrest all who carry unlicensed arms, are mindful that they are heavily outnumbered.

Egyptian Senators Pledge Fund

CAIRO, Egypt, Dec. 22 (AP)—Mohammed Hussein Heykal Pasha, President of the Egyptian Senate, announced today that the Senators had voted to subscribe a minimum of three months' salary toward the fight against a partition of Palestine. The Senators draw £40 ($167) a month.

Dutch Report Indo Gangs Liquidated

Batavia, Dec. 22 (AP) — A Dutch army communiqué said today that 150 Indonesian "terrorists" were "liquidated" December 9 in operations against a kampong in the Krawang area, 43 miles east of Batavia.

The Indonesian Republic's Ministry of Information said last night that more than 300 Indonesian civilians had been killed and 200 wounded in Dutch "mopping up" operations in the Krawang area.

The Dutch communiqué said that the action had been taken after "Republican gangs" infiltrated the area and carried on "violent terrorism," during which at least 28 Indonesians were beheaded.

Eight Prisoners Taken

Eight prisoners, including one Indian, were taken by the Dutch in the December 9 operation, the communiqué said, adding that "the gangsters . . . sortied from the kampong in groups of ten and opened fire on our troops from various places. . . . Three-inch mortars were the heaviest weapons used by our side during the action."

The communiqué added that the following day a general search of the Krawang area was carried out, resulting in "a large number of minor clashes with enemy bands, during which these suffered minor losses—generally of about five men to each clash."

The communiqué asserted that when the bands took refuge in the kampong, Dutch troops "ceased fire in order to prevent innocent persons being hit."

140 Raiders Reported Killed In Indian Fights

New Delhi, Dec. 22 (AP)—The Indian Defense Ministry said tonight Indian troops had killed 140 trans-border raiders and wounded 85 in the past two days in the towns of Poonch and Jhangar in Kashmir State.

The fierce tribal raiders from Pakistan, now operating in the western districts of Jammu province in Kashmir, have been on the offensive during the 48-hour period and have made several diversionary attacks on Indian Army units, a ministry communiqué said.

Viet Nam Head Says French Lost 20,000 Men

Saigon, French Indo-China, Dec. 22 (AP)—Ho Chi-minh, president of the insurgent Viet-Nam Republic, declares the French have lost 20,000 since fighting began in Indo-China a year ago.

In a message addressed to the people of Indo-China on the first anniversary of his revolt against the French, he said:

"Cities taken by the enemy are in ruins, the whole of the territory is in our hands, the forces of the colonialists are on the downgrade. . . . I repeat that the people of Viet-Nam are ready to collaborate with the French people, but will not submit and will not be enslaved."

CANAL PACT IS REJECTED BY PANAMA

DEC 1947

Assembly Unanimously Votes Refusal To Ratify Signed Agreement

Panama, Panama, Dec. 22 (AP). The 51 members of the Panama National Assembly voted unanimously tonight to reject an already signed agreement which would allow the United States fourteen leased military bases on Panamanian soil to defend the Panama Canal against aggression.

The Assembly's refusal to ratify the pact touched off wild rejoicing in the capital and thousands of persons marched through the streets shouting gleefully, "It did not pass. It did not pass."

The vote on the agreement, under which the United States would have leased and manned thirteen defense sites and the huge B-29 air base at Rio Hata, came after six hours of debate in which prominent Panamanian political figures, including a former President and four former foreign ministers, criticized the background of the negotiations for the pact.

10,000 Persons Gather

As the debate opened, more than 10,000 persons gathered in the streets around the Assembly building. The crowd dwindled during the period in which the debate dragged on, but new throngs gathered when the vote was announced.

The United States State Department announced in Washington on December 10 the agreement with President Enrique Adolfo Jiménez's Government had been signed after sixteen months of negotiations.

Before a vote on the resolution demanding outright rejection was ordered, the Assembly, considered two reports from a special committee, which conducted hearings on the agreement.

The committee's majority report recommended conditional acceptance of the pact and a minority report called for outright rejection, but left an avenue open for the resumption of negotiations with the United States.

Provides No New Talks

After long debate, a strong assembly bloc introduced a resolution calling for outright rejection without providing for further talks between the two nations. After brief discussion, the resolution was passed unanimously.

The text of the resolution:

"The agreement signed in this city December 10 by the representatives of the governments of Panama and the United States of America is not approved because the aforesaid agreement is not inspired in the principle of juridical equality of the contracting states and it does not follow the principles of international law and the spirit of the inter-American defense system."

Spectators in the assembly gallery and corridors cheered and sang the national anthem.

The situation now reverts to the status of September 1, 1946, when Panama notified the United States that a 1942 agreement authorizing the northern nation to lease a number of wartime bases had expired. The United States argued at that time that the 1942 agreement legally would remain in effect until one year after a peace treaty with Japan had been signed.

(Tonight, the American State Department declined to comment on the assembly's action in turning down the agreement.

(But diplomatic officials said in Washington the rejection by the assembly, in the United Statas view, does not mean that the United States will have to vacate the defense sites immediately since this country still holds to its interpretation of the 1942 agreement under which is acquired the sites.

(Washington officials said the United States will wait until formally advised of the action by the Pan-American government before deciding what further steps to take.

('In effect, thte rejection puts the two countries back where they were 16 months ago when negotiations for postwar use of the defense sites were begun.

(The United States initiated these negotiations specifically to avoid wrangling with Panama over the latter's interpretation of the 1942 agreement under which the 14 defense sites were built during the war.

(The agreement stated that the United States would withdraw from the bases one year after the "signing of the definitive peace treaty." The Panamanian Government contended this meant one year after General MacArthur signed the Japanese surrender in Tokyo Bay in 1945.

(The United States disputes this, saying the term peace treaty meant the European and Japanese treaties which are now in the process of discussion and negotiation.

(There was no immediate indication what the U. S. State Department would do next. Recently reports from Panama said the United States might take the dispute to the World Court, but there was no confirmation from official sources here.

(The United States during the war had more than 100 air bases and other installations of various kinds on Panamanian soil for defense of the canal. The 14 sites included in the agreement turned down tonight are the ones which the army department recognized as absolutely essential for defense purposes.)

Panama Minister Out Over U.S. Pact

His Party Fighting Leases for Military Bases

PANAMA CITY, Dec. 22 (AP).—Foreign Minister Florencio Arosemena has resigned because of his party's opposition to ratification of the agreement with the United States on Panama Canal defense bases.

It was learned today that Mr. Arosemena, appointed only a week ago, had written Thursday to President Enrique Adolfo Jimenez that the resignation would become effective "as soon as you deem it convenient."

The letter was written after the Foreign Minister's brother, Harmodio Arosemena, president of the National Assembly and spokesman for the Partido Renovador, had announced that all Deputies belonging to that party would vote against ratification of the agreement.

Mr. Arosemena was named Foreign Minister after Ricardo J. Alfaro resigned in protest over the agreement, which provides for leasing thirteen bases to the United States. All leases would be for five years, except that of the Rio Hato Air Base, the largest, which would be for ten years, renewable at the option of Washington.

The Assembly may return the agreement to the executive department without a vote to enable the government to resume negotiations with the United States.

U.S. Declines Comment On Rejection Of Pact

Washington, Dec. 22 (AP)—The State Department tonight declined to comment on the Panama Assembly's action in turning down the canal agreement.

But diplomatic officials here said the rejection by the Assembly, in the United States view, does not mean that the United States will have to vacate the defense sites immediately since this country still holds to its interpretation of the 1942 agreement under which it acquired the sites.

Washington officials said the United States will wait until formally advised of the action by the Panamanian Government before deciding what further steps to take.

DEC 1947

30.24-14413

Trade Conference Prepares For Showdown On Quota Issue

Havana, Dec. 22 (AP)—The first major crisis in the Havana trade conference appeared imminent tonight as delegates of the United States and other industrialized countries prepared to "lay on the line" their opposition to quotas and other "quantitative restrictions."

Tomorrow's debate on this subject—"QR" as it is called in the meetings—was expected to bring some strong statements from the American delegation and those of similar views. It was believed they would present a "take it or leave it" attitude.

Some Countries Want Quotas

"Underdeveloped countries," principally those of Latin America, have been firm in their insistence that the article on "QR" in the proposed International Trade Organization charter must be amended to allow the use of quotas or similar control methods.

A member of the American delegation, who declined to be quoted by name ,said tonight this conference, called by the United Nations to work out the ITO charter, would be "considered a failure if blanket permission for "QR" is writen into the charter."

The Disputed Passage

"If any amendment is adopted to permit adoption of 'QR' without prior approval by the ITO, it would be impossible to accept the charter," he said.

The article on "QR" says that "no prohibitions or restrictions other than duties, taxes or other charges, whether made effective through quotas, import or export licenses or other measures, shall be instituted or maintained by any member on the importation of any product of any other member country or on the exportation or sale for export of any product destined for any other member country."

Countries opposed to the article, or desiring to amend it, have taken most of the time in the five days of debate thus far on the subject.

The matter is expected to be considered at a secret meeting Wednesday by the heads of delegations of the 63 countries of the conference.

Austerity Hits Canada! No Mistletoe on Hand

OTTAWA, Dec. 22 (AP).—Canadian kisses this Christmas will be without benefit of mistletoe. Not a sprig of the traditional yuletide plant is on sale in the capital today.

Supplies generally are flown in from Florida, Texas, Mexico and California, but new restrictions to conserve dollar exchange prevent such imports. The meager amount of mistletoe grown in British Columbia is not enough for the demand.

Arms For China Predicted

Washington, Dec. 22 (AP)—Representative Judd (R., Minn.) said today he believes Congress "will force the hand of the State Department" to make miiitary aid available to the Chinese Nationalist Government.

"The present State Department policy concerning China is to give —at best—economic aid," Judd said.

"There is no indication that it intends to sanction military aid for use against the Chinese Communists. Economic aid is not enough."

The Minnesotan is author of the amendment to the emergency foreign aid bill authorizing $60,000,000 for China. The amount was trimmed to $18,000,000.

No Money Voted

The House Appropriations Committee, in considering the bill to make foreign aid funds actually available, made no provision for China on the grounds that the State Department has not presented a program for that country.

Judd said, however, such a program is expected to be offered soon by the State Department and predicted a $60,000,000 appropriation for China will be approved by Congress before the end of January.

"This action by Congress in authorizing $60,000,000 for China is in effect a message to the State Department," Judd said.

"It tells them that the American people are profoundly dissatisfied with its 'do-nothing' policy for China. Since our neutral policy went into effect in May, 1948, we have not turned over one shell to the Chinese Government."

Judd said that, in contrast, Russia "has been supplying the Chinese Communists with all kinds of military supplies."

Air 'Saucers' May Have Been Russ Rocket Experiments

Washington, Dec. 22 (AP)—Representative Ellsworth (R., Ore.) revived reports today that last summer's "flying saucer" epidemic may have stemmed from Russian rocket experiments.

Claiming that he has received reliable information concerning the development of high-velocity missiles by Soviet scientists, the Oregon lawmaker added in a statement:

"Strangely enough, this development might be the solution of the now almost forgotten mystery of the flying saucers."

"Amazing Speed"

He said the Russians are reported to have a rocket of amazing speed and "almost limitless range" propelled by a series of explosions occurring several seconds apart.

"Each successive explosion shoots the missile forward at increased speed," Ellsworth said. "Apparently the charges are packed separately and are held apart by metal disks. As each charge is fired, the metal disk is discharged as an empty cartridge shell is ejected from an automatic rifle. The disks are made of thin metal and possibly disintegrate in the air not long after they are discharged."

Similar Reports

Ellsworth suggested that American scientists might have been working on some similar device, but he held it more likely that any disks actually seen had come from Russian military proving grounds.

There were similar reports at the time the flying-saucer wave swept the country earlier this year, but they were given no official credence.

Ellsworth was not immediately available after issuing his statement for amplification.

Position On Aid Plan Told By Vandenberg

Washington, Dec. 22 (AP)—Senator Vandenberg (R., Mich.) declared today that he is emphatically committed to the objective of "saving Western Europe on a self-help basis" but remains "completely open-minded regarding the methods, the amount and the administrative procedure."

Vandenberg, chairman of the Senate Foreign Relations Committee, made the statement at news conference in discussing President Truman's proposal to supply $17,000,000,000 to assist European recovery over a four-year period.

He said he also is "open-minded" about the impact the program might have on this country's economy.

"Objective Indispensible"

Saying that he wished to set aright any false impressions that might have arisen regarding his attitude toward the long-range economic program, Vandenberg asserted:

"I consider the objective indispensible from the standpoint of intelligent American self-interest. The whole question of procedure, however, is legitimately open to debate."

Vandenberg said he hopes the Foreign Relations Committee may be able to complete within three weeks the public hearings that will begin January 7 on the Marshall plan. He added, however, "that is no promise."

"Complete Exploration"

"We desire to obtain as complete an exploration of dependable leadership opinion on this question as we can," he said. "If it takes six weeks, then it will take six weeks."

Declining to predict how soon Congress will act finally on the European aid proposal, Vandenberg noted that a number of major international questions are piling up on the thirteen-member Foreign Relations Committee.

He suggested that it even might become necessary to increase the size of the membership to take care of all the work ahead of the group.

Public's View Sought

Democratic Leader Barkley (Ky.), a member of the Foreign Relations Committee, said earlier that prominent citizens from all walks of life would be asked their opinions of the four-year program. Secretary of State Marshall, he said, would probably be the first witness.

Already signs are cropping up that Congress will take lots of time and write its own European recovery plan, rather than accept the one President Truman submitted. And indications are that it will be nowhere near as big as $17,000,000,000.

Vandenberg insisted at a meeting of the Foreign Relations Committee last week that all hearings be held in public. Under such a plan , Marshall, as well as other Government witnesses, will be called upon to answer questions put in open hearings.

Possible Witnesses

Members of the Harriman committee which drafted a report assaying Europe's needs in relation to American resources are expected to be called.

Witnesses will probably include Bernard M. Baruch, adviser to presidents; James F. Byrnes, former Secretary of State; William L. Clayton, former Under Secretary of State, and possibly former President Herbert Hoover.

Speaker Martin (R., Mass.) gave the tip-off on what will happen when Congress tackles the long-range foreign-aid program in the regular session starting January 6.

Before heading home for the holidays, Martin said:

"There is sentiment for a Republican program and there is strong support for the Herter proposal."

Result Of Tour

The "Herter proposal" is a bill drafted as the result of a tour of Europe last fall by a special House committee headed by Representative Herter (R., Mass.). It leaves the amount of aid blank. Republican leaders are nearly unanimous in saying the blank will be filled in for far less than the $17,000,000,000 President Truman asked.

In a message to Congress Friday, Mr. Truman asked that the spending of that sum be authorized for four and a quarter years beginning April 1. He asked for $6,800,000,000 for the first fifteen months, up to the middle of 1949.

The main point on which the Herter bill and the Administration plan conflict is that of managing the program.

Pauley Only U. S. Official On First List

Washington, Dec. 22 (AP)—Secretary of Agriculture Anderson today released the names of 711 "big traders" on the commodity markets and the name of Edwin W. Pauley was the only active government official on the partial list.

Anderson promised additional lists from time to time.

It was a senatorial investigation of Pauley, special assistant to Secretary of the Army Royall, that led to congressional action authorizing Anderson to reveal names of the traders to help in the hunt for "insiders" reportedly profiting in grain speculation.

Anderson's report revealed a rapid increase in the number of acknowledged large speculators on the commodity markets during the past year. On Oct. 31, 1946 there were 66 so listed but by the same date of this year there were 230.

The report, which was sent to the Senate Appropriations Committee also covered traders engaged in "hedging," a non-speculative type of operation, and in "spreading," a semi-speculative operation.

Pauley was listed as "long" on Oct. 31, 1947 on 300,000 bushels of oats and 300,000 pounds of cottonseed oil. A "long" trader is one who contracts to buy commodities

at a certain price at a future date. This operation is not considered speculative necessarily but may be a "hedging" operation to assure against loss on commodities already purchased.

The "long" trader may, for example, buy March wheat at $2.50 a bushel and if the price goes beyond that figure he can sell at a profit. The "short" trader is one who contracts to deliver commodity futures and makes a profit if the actual price of grain drops below the contract figure at which it was sold to a "long" trader.

There is no law against speculation. The current investigations, ordered by both the senate and house, stem from reports that government officials have profited from "inside" information on government commodity buying plans.

During congressional hearings on anti-inflation proposals, the administration repeatedly asked for powers to curb speculation by fixing the margins, or down payment, required on the commodity exchanges.

Under the Republican anti-inflation bill, now awaiting President Truman's signature, the President is authorized to permit voluntary agreements such as have been put into effect by the exchanges themselves.

Anderson's own department, through its commodity exchanges authority, reported earlier this month, following its own investigation of commodity speculation and effect on prices, that:

"It is not believed that speculation is a basis factor in determining the general level of prices in the long run," but "an undue amount of speculation tends to make price fluctuations more erratic and at times accentuate price trends."

The government is one of the largest commodity buyers.

Harold E. Stassen, candidate for the Republican presidential nomination, first made the statement that Pauley was one of several "insiders" who had profited from grain speculation. The Senate Appropriations Committee then called Pauley to appear. He testified to purchasse amounting to $1,000,000 but said he had never used any inside information and that upon appointment to the army post he had sold the major portion at a loss of $100,000.

Pauley is under orders to hand over his record books to a Senate Appropriations Subcommittee headed by Senator Ferguson (R-Mich) "without further delay."

Ferguson told a reporter before leaving for the holidays that "publication of the names of speculators is only the first step and means little by itself. If there are any "leaks" from the government depatrments, we want to know about them."

By "leaks" he meant the seeping out of advance, confidential government plans by which a speculator might profit.

Senator Knowland (R-Calif.), a member of Ferguson's committee, said today the group "very likely will meet" to discuss the list revealed by Anderson prior to the reconvening of congress on Jan. 6.

One of the traders listed today was Daniel C. Rice, identified by Anderson as a member of the Chicago Board of Trade and principal partner in a stock and commodity brokerage firm with offices in New York, Chicago and Miami.

Anderson said Rice, together with General Foods Corporation and several other traders, had been charged with attempting to corner and manipulate the rye market in Chicago in May, 1944. He said the judicial officer of the agriculture has sustained the charges and has issued an order denying trading privileges to the group for varying periods. This order has been appealed to the courts.

U.S.-Burma Accord On Students Signed

15-Year Exchange Plan to Cost $3,000,000

WASHINGTON, Dec. 22 (AP).—The United States and Burma formally put into effect today a $3,000,000 fifteen-year arrangement to exchange students and specialists.

Financed largely by sales of American war surplus, a similar arrangement has been made with China, and others are under negotiation with Italy, New Zealand, Greece, Egypt, Belgium and the Philippines.

A 1946 law sponsored by Senator J. W. Fulbright, Democrat, of Arkansas, authorizes the use of up to $140,000,000 in surplus property proceeds for educational exchanges over the next twenty years in more than a score of countries.

The new agreement was signed at Rangoon by U Tin Tut, Minister of Foreign Affairs of the new Burmese Republic, and by R. Austin Ackly, American Charge d'Affaires.

DEC 1947

Says U. S. Plane Beats Sound

Magazine Reports Bell XS-1, Experimental Rocket Craft, Has Pierced Sonic Barrier.

Washington, Dec. 22 (A. P.).—An American plane is reported to have flown faster than sound. The speed of sound generally is stated at 760 miles an hour.

The magazine Aviation Week says in its issue dated today that the Bell XS-1, an experimental rocket craft, has pierced the so-called sonic barrier on several occasions during the past month at Muroc Air Base, Cal.

Marvin Miles, aviation writer for the Los Angeles Times, also wrote today that he had "learned from reliable sources" that the long-sought speed had been attained.

Col. S. A. Gilkie, commandant of the Muroc base, neither confirmed nor denied the reports.

Order Issued.

Secretary of Defense Forrestal has issued an order forbidding official disclosure of progress in high speed flight.

The magazine said that the first faster-than-sound flight was made by Capt. Charles Yaeger.

Robert H. Wood, editor of Aviation Week, said that he had withheld publication of the story for several weeks at the request of Air Force officials. He told a reporter the understanding was that the Air Force also would withhold publication. Wood said that he decided to release the story after learning the Air Force was preparing a news release on the XS-1's record. An Air Force spokesman said that no such release is in preparation.

The Bell XS-1 is powered by four rockets. It is launched from the belly of a four-engine B-29 bomber. When the XS-1 was first announced, the Air Force said that it was expected eventually to reach a speed of 1,700 miles an hour.

Visit Planned by Ghavam

WASHINGTON, Dec. 22 (AP)—The State Department said tonight that it had been unable thus far to verify dispatches reporting that Premier Ghavam of Iran had been arrested.

A spokesman said Mr. Ghavam had indicated to the United States Embassy in Teheran that he might visit this country after he had gone to Switzerland for medical treatment.

Grady Reports On India

Washington, Dec. 22 (AP)—Ambassador Henry F. Grady told President Truman today that India is "ready to go ahead economically." Grady said he informed Mr. Truman that communal warfare is "about over, at least temporarily—perhaps indefinitely."

Critics Of Britain Held Ill-Informed

Detroit, Dec. 22 (AP)—Lord Inverchapel, British Ambassador to the United States, declared today that criticism of Britain's control system is "ill-informed."

Noting suggestions that Congress should make the abolition of controls in Europe a condition of American assistance under the Marshall plan, Inverchapel said there have been contentions that the controls are due to experiments in socialism.

"It is true that here and there some of them are," the Ambassador asserted in an address prepared for Detroit's Economic Club, "but the main controls which we have to impose in Britain today have nothing at all to do with socialism.

"Sharing The Necessities"

"Can anyone seriously suggest that we should do away with the rationing of food and clothing?" Inverchapel asked. "Surely we should rather take pride in the fact that, in the strained circumstances in which we find ourselves today, we are at least sharing the necessities of life on a fair basis for all. . . .

"Our import controls, our exchange controls, our controls of raw materials are all imposed upon us because we have to restrict our imports to the minimum of food to keep us alive, and to the essential raw materials for our industry. If we did not discipline ourselves we should quickly go bankrupt.

"This would mean first that our industry would slow down for lack of raw materials. Secondly, we should go hungry because we cannot grow enough food in our islands. Thirdly, all hope of European, or indeed world recovery would fade, leaving you a spectacle of chaos and ruin across the ocean, such as has not been seen for sixteen centuries."

U.S Awards Locomotives To Finland

Philadelphia, Dec. 22 (AP)—The War Assets Administration announced today it has awarded the Finnish puchasing delegation ten steam locomotives, built for the Russians during the last war by the Vulcan Iron Works, Wilkes-Barre, Pennsylvania.

The Finnish bid was $6,000 for each locomotive.

Norman D. Cota, regional director of the WAA, said final disposal of the locomotives to the Finns will be made when the delegation obtains clearances from the proper Federal export control agency in Washington.

Second high bid on the engines, now stored at the Army Transportation Corps depot at Marietta, Pa., was $5,135 each, made by Thomas Markham Searles, Jr., a veteran from Philadelphia.

WAA said the engines built for $28,400 each, are for operation on a 60-gauge track. Each weighs 70 tons.

Finns Get 10 Locomotives U. S. Built for Russians

PHILADELPHIA, Dec. 22 (AP).—Finland is going to get ten steam locomotives the United States built for Russia during World War II, the War Assets Administration announced today.

The Finnish purchasing delegation bid $6,000 for each locomotive, built at a cost of $28,400. The seventy-ton engines are for operation on a sixty-gauge track.

Norman D. Cota, W. A. A. regional director, said final disposal of the locomotives to Finland will be made when the delegation obtains export clearances from the Federal Export Control Agency in Washington.

Thomas Markham Searles jr., Philadelphia war veteran, was second high bidder. The W. A. A. said he offered $5,135 each and planned to resell the engines as scrap.

Irish Mother, 91, to Fly to U.S.

PHILADELPHIA, Dec. 22 (AP).—A ninety-one-year-old Irish mother of eight daughters and three sons is planning to fly the Atlantic to spend the rest of her days with her children. She is Mrs. Mary Gallagher, of Creeslough, County Donegal, who plans to take off from Shannon tomorrow to be with them for Christmas. She will be accompanied by Millie Gallagher, of Vineland, N. J., who has been visiting her in Ireland for two years. Waiting at La Guardia Field, New York, will be another daughter she hasn't seen for twenty-five years, Mrs. Theresa McBride, of Oaklyn, N. J., with whom she will live. Also on the reception committee will be Mrs. Catherine Lanawhan and Mrs. Mary McLaughlin, of Philadelphia, and Mrs. Margaret Knetz, of Audubon, N. J.

Dead Ex-GI's Italian Fiancee Wins 90-Day Stay In America

Philadelphia, Dec. 22 (AP)—Immigration authorities announced late today that Maria Formicola, 21-year-old Italian girl who came to this country to marry an ex-GI and found him dead, has been admitted to the United States for a 90-day period.

A spokesman for the United States Immigration and Naturalization Service said that "the necessary $500 bond has been posted" but added that the commission would make no further statement on the case.

The action came following the forwarding here of proceedings of a hearing before New York immigration authorities on an appeal by the diminutive Italian miss from a deportation order.

DEC 1947

30.24- 14415

Kentucky Governor Intercedes

The spokesman said he could not make public the reasons for the commission's action.

Earlier today the Governor of Kentucky announced he had appealed to the Immigration and Naturalization Service headquarters here, asking approval of a proposal to give Maria a home with a Kentucky family.

Gov. Earle Clements said the necessary arrangements had been made to provide her a "good home" and to post the necessary $500 bond.

The immigration service's action freed Miss Formicola from Ellis Island, immigration detention quarters in New York harbor, where she had been held since her arrival aboard the liner Vulcania December 18.

She had intended to marry James McIntosh, 19, of Guerrant, Ky., whom she had met in Italy. She learned upon her arrival, however, that he had been killed in an automobile crash a few hours before the Vulcania sailed.

Dozen Offers Of Marriage

The immigration spokesman said the service's directive granted a 90-day visitor's visa, but added if her status changes—presumably meaning if she married—"that would alter things somewhat."

Miss Formicola had received hundreds of offers of aid as well as about a dozen marriage offers.

In a radio interview tonight, Miss Formicola was asked if she were planning to marry anyone else now, and replied:

"I have been asked to marry. I will decide that in the time I can stay here."

The spokesman said before the Service announced its order that under normal circumstances the girl's appeal would be refused, but added that "of course this is a special case, her husband-to-be having died and all that."

Each Case On Its Merits

"Each case," he pointed out, "is decided on its merit. In any case, it would be largely generosity if she were allowed to remain."

Among Maria's many marriage proposals was that of 27-year-old Frank Alfidi, of Yonkers, N. Y., a combat veteran and music teacher who said Miss Formicola had accepted his marriage offer when he visited Ellis Island last Saturday.

The immigration spokesman declined to express an opinion when asked whether the girl would be allowed to marry an American citizen and thus attain United States citizenship, stating he didn't know whether Ellis Island officials would permit a marriage there "just to escape the law."

Earle Warns on Marshall Plan

PHILADELPHIA, Dec. 22 (AP).—The Marshall plan is "certain of failure" because "Russian troops at any time may occupy the whole of Europe," says George H. Earle, former United States Minister to Bulgaria and one-time Governor of Pennsylvania. Mr. Earle said he had sent a letter to President Truman and members of Congress saying the people of Europe "will go through the motions in order to secure our $17,000,000,000, but the results will be almost negligible. Their hearts and real efforts will not be in reconstruction, the results of which they think probably will be seized by the Soviet government."

Would Halt Nazi Trials

New York, Dec. 22 (AP)—A California law firm will initiate action in Federal District Court in Washington, D.C., in an effort to halt the present war-crimes trials at Nuernberg, Germany, John J. Purchio, a member of the firm, said today.

Purchio, a member of the concern of Foley & Carroll at Hayward, Cal., said the firm also plans to demand a Senate investigation of the current prosecution of alleged German industrial war criminals.

He termed the trials a "farce" and a "waste of the taxpayers' money," and declared that the German business magnates are being denied their "basic legal rights."

Shaik Arrives In U.S.

New York, Dec. 22 (AP)—Shaik Hamed Ibn Mohamed al Khalifah, a cousin of Shaik Salman al Khalifah, Emir of the Island of Bahrein in the Persian Gulf, arrived today by plane from London on his way to take a course in economy and political science at Stanford University, California. He said he planned to leave for the coast by train on Christmas Day.

France Honors Virginia Colonel

New York, Dec. 22 (AP)—Col. Francis Pickens Miller, of Charlottesville, Va., today was awarded the Cross of a Chevalier of the Legion of Honor. The award was made at the office of the Consul General of France by Major General Billotte, ranking French officer in the United States.

DEC 1947

U.N. PROTESTS TWO ARRESTS

Says United States Broke Pledge By Holding Writers

Lake Success, N.Y., Dec. 22 (AP)—Trygve Lie, secretary general of the United Nations, tonight charged the United States with violating its agreement with the United Nations by arresting two news correspondents accredited to the world organization.

The two correspondents, both of whom as being held at Ellis Island, were Nicholas Kyriazidis, of Greece, and Syed S. Hasan, of India.

In a telegram to Warren R. Austin, chief United States delegate, Lie pointed out that the headquarters agreement provided that no proceedings could be instituted to require an accredited correspondent to leave the United States until after "consultation with the Secretary General of the United Nations."

Calls For Prompt Action

"Would appreciate prompt consideration in conformity with headquarters agreement," Lie said.

The telegram dealt only with the case of Kyriazidis, but a United Nations spokesman said Lie had learned of Hasan's arrest later and would follow the same procedure with regard to the Indian. The United Nations spokesman said both men were bona fide correspondents. He said the United States had acted without consulting Lie.

Kyriazidis was arrested Thursday. He informed Lie by telegram that he was "detained at Ellis Island for deportation on charges concerning only my political affiliation." He called on Lie to intervene for his release.

Deportation Hearing Set

The Immigration and Naturalization Service of the United States Department of Justice announced it would conduct a hearing tomorrow to determine whether he was subject to deportation, but a United Nations spokesman said it had been informed by the United States delegation late today that the hearing had been postponed.

No details were available immediately on the arrest of Hasan. United Nations officials said they had been given no information by the United States Government on either case.

Hasan's telegram to Lie said: "Arrested by United States authorities. Am accredited newspaper correspondent from India at United Nations. Please intervene against infringement of my press rights."

Listed For Cyprus Paper

Lie informed Austin that Kyriazidis was at present accredited by the United Nations as correspondent for the newspaper *Demokratis*, of Nicosia, Cyprus. United Nation officials said Hasan was accredited September 15 to the *People's Age*, of Bombay. His accreditation expires in January.

W. F. Watkins, district director of the Immigration Service, said Kyriazidis was arrested under an immigration warrant charging "his belief and membership in and affiliation with an organization advising, advocating and teaching the overthrow by-force and violence of the Government of the United States."

The State Department, in Washington, said it had offered no objection to the arrest of Kyriazidis. Reginald Mitchell, press officer, said the Greek journalist got permission to enter the United States by concealing membership in the Communist party when he applied for a visitor's visa in Europe. He was accredited by the United Nations after arriving in New York, although he had been accredited to the Balkan commission earlier in Europe.

DEC 1947

NIGHT LEAD (120)

LONDON, DEC. 22-(AP)-HARRY POLLITT, GENERAL SECRETARY OF THE BRITISH COMMUNIST PARTY, SAID TONIGHT THERE WAS "NOT A WORD OF TRUTH" IN LABOR PARTY CHARGES THAT COMMUNISTS AIMED TO HAMPER THE COUNTRY'S RECOVERY DRIVE BY STIRRING UP DISCONTENT IN INDUSTRY.

MORGAN PHILLIPS, SECRETARY OF THE LABOR PARTY, MADE THE CHARGES OVER THE WEEKEND IN A LETTER URGING LABOR GROUPS TO KEEP COMMUNISTS OUT OF KEY TRADE-UNION POSTS. ISSUED APPEALS TO THE WORKERS TO

IN REPLY, POLLITT SAID, "WE INCREASE PRODUCTION LONG BEFORE MR. PHILLIPS OR THE LABOR PARTY."

WILLIAM GALLACHER, ONE OF THE TWO COMMUNISTS IN THE HOUSE OF COMMONS, DECLARED IN A STATEMENT, "THE COMMUNIST PARTY NEVER HAS AND NEVER WILL ADVOCATE SABOTAGE IN INDUSTRY." RP508PES

DEC 1947

THE MOSCOW BROADCAST SAID THAT PRESIDENT TRUMAN HAD ASKED CONGRESS FOR $17,000,000,000 (BILLION) WITHIN THE NEXT FOUR YEARS TO FINANCE THE MARSHALL PLAN IN EUROPE AND ADDED:

"THE GREATER SHARE OF THIS SUM IS ASSIGNED FOR GERMANY -- BUT NOT TO ESTABLISH THE UNITY OF THE DEMOCRATIC STATE, TO REVIVE HER CIVILIAN INDUSTRY. THE MARSHALL PLAN AND AMERICAN BILLIONS ARE TO BE USED TO TRANSFORM WESTERN GERMANY INTO AN ARSENAL OF AMERICAN EXPANSION."

MEANWHILE, EXPRESSED BELIEF THAT THE "RED BELT" OBSERVERS HERE, A FAIRLY SOLID BLOC TO CONTEND FOR STATES OF EUROPE" WERE MOVING INTO A FRONT -- STANDARDIZING THEIR COMMUNIST DOMINATION OF THE CONTINENT BIDS FOR LEADERSHIP. PROGRAMS UNDER RUSSIAN DIRECTION TO RESIST WESTERN

A7

FROM CONVERSATIONS WITH BOTH WESTERN AND EASTERN REPRESENTATIVES ATTENDING THE RECENT FOREIGN MINISTERS CONFERENCE HERE, THESE OBSERVERS FORESAW THE FOLLOWING POSSIBILITIES EARLY IN 1948:

(1) THE EASTERN AND WESTERN STATES WILL REVAMP THEIR FOREIGN POLICIES IN THE LIGHT OF THE SITUATION IN GERMANY, WHERE A STATE OF INFORMAL PARTITION NOW EXISTS. THIS MAY LEAD TO A SERIES OF NEW REGIONAL DEFENSE ALLIANCES, TO GUARD AGAINST NEW GERMAN AGGRESSION.

(2) RED BELT STATES OF THE BALKANS WILL INTENSIFY THE PROCESS THEY HAVE ALREADY STARTED OF CEMENTING THEIR POLITICAL AND ECONOMIC LINKS WITH THE COUNTRIES OF THE DANUBE BASIN.

(3) A CLEARCUT EASTERN EUROPEAN RECOVERY PLAN, UNDER RUSSIAN LEADERSHIP, IS LIKELY TO DEVELOP, WITH THE OBJECTIVE OF OUTSTRIPPING THE MARSHALL PLAN AND GAINING THE POLITICAL WHIPHAND.

DEC 1947

IP726AES

(ADVANCE FOR AMS OF TUESDAY, DEC. 23)

(ADVANCE)..YORK, ENGLAND, DEC. 22-(AP)-THE ARCHBISHOP OF YORK, DR. CYRIL GARBETT, SAID TODAY A PREVALENT STATE OF DISILLUSION AND FRUSTRATION MAKES SOME BRITONS FEEL THAT PLANNING FOR THE FUTURE IS USELESS.

CONDEMNING THIS "COULDN'T CARE LESS" ATTITUDE, THE ARCHBISHOP WROTE IN HIS MONTHLY DIOCESAN LETTER THAT YOUTH MUST HAVE "REASONABLE GROUNDS FOR ENTHUSIASM AND HOPEFULNESS."

THE UNITED STATES, THE ANGLICAN CLERGYMAN SAID, SEEMS TO HAVE ESCAPED THIS FEELING OF FRUSTRATION "EXCEPT WHEN IT SUFFERS FROM THE NIGHTMARE OF THE ATOMIC BOMB."

(END ADVANCE FOR AMS OF TUESDAY, DEC. 23)

RP919PES

LONDON, DEC. 22-(AP)-BRITISH NEWSPAPERS, ALREADY AMONG THE WORLD'S SMALLEST BECAUSE OF THE SHORTAGE OF NEWSPRINT, WERE WARNED TODAY THAT AN ADDITIONAL CUT IN PAPER SUPPLY MAY BE NECESSARY IN 1948.

THE HINT OF MORE RESTRICTIONS WAS CONTAINED IN A LETTER SENT TO ALL BRITISH NEWSPAPERS BY F.B.BISHOP GENERAL MANAGER OF THE NEWSPRINT SUPPLY COMPANY.

RP911PES

DUBLIN, DEC. 22-(AP)-THE GOVERNMENT ANNOUNCED TONIGHT THAT THE EIRE BUTTER RATION WOULD BE INCREASED JAN. 17 FROM FOUR OUNCES TO SIX OUNCES A WEEK.

RP847PES

DEC 1947

NIGHT LEAD FRENCH (200)

BY LOUIS NEVIN

PARIS, DEC 22-(AP)-FINANCE MINISTER RENE MAYER GAVE FRENCHMEN AN UNWELCOME CHRISTMAS PRESENT TODAY WHEN HE ATTACHED A NUMBER OF STIFF TAX INCREASES TO HIS OVER-ALL PROGRAM FOR BOLSTERING THE FRENCH ECONOMY.

HE ANNOUNCED TAX HIKES ON RADIOS, NIGHT CLUBS, COLONIAL AND PETROLEUM PRODUCTS AS THE NATIONAL ASSEMBLY NEARED APPROVAL OF HIS ECONOMIC PROGRAM, WHICH ALREADY INCLUDES A HEAVY TAX ON PROFITS AND INCOMES IN THE UPPER BRACKETS.

PRECEDE MOSCOW DAY

LONDON, TUESDAY, DEC. 23-(AP)-THE MOSCOW RADIO SAID TODAY THE COMMUNIST AND NON-PARTY BLOC WAS FAVORED BY 99.36 PER CENT OF THE VOTERS AND OPPOSED BY 0.64 PER CENT IN SUNDAQ'S ELECTION OF THE MOSCOW CITY SOVIET OF WORKING PEOPLE'S DEPUTIES. THE BROADCAST SAID 99 PER CENT OF THE ELECTORATE VOTED.

RP956PES

DURING THE DEBATE PREMIER SCHUMAN IMPLIED THAT THE FRENCH PEOPLE'S PARTY (RPF) OF GEN CHARLES DE GAULLE WAS TRYING TO SABOTAGE THE GOVERNMENT'S PROGRAM.

REPLYING TO AN ATTACK ON GOVERNMENT POLICIES BY GASTON PALEWSKI, AN RPF LEADER, THE PREMIER SAID:

"THERE MAY BE A KIND OF SABOTAGE PERHAPS WORSE THAN THE ONE WE OUTLAWED RECENTLY (IN THE CAMPAIGN AGAINST LEFTIST-INSPIRED LABOR DISORDERS), BECAUSE IT JOEPARDIZES NOT ONLY INDIVIDUAL LIVES BUT THE LIFE OF THE NATION ITSELF."

LONDON, TUESDAY, DEC. 23-(AP)-THE MOSCOW RADIO SAID TODAY RUSSIA AND NORWAY, NEGOTIATING IN MOSCOW, HAD REACHED AN AGREEMENT "FOR AN EXCHANGE OF GOODS" IN 1948. THE BROADCAST DID NOT ELABORATE.

RP958PES

DEC 1947

THE ASSEMBLY GOT DOWN TO DISCUSSION OF INDIVIDUAL ARTICLES IN THE PROGRAM AND IT WAS INDICATED THAT FINAL APPROVAL WOULD NOT COME UNTIL TOMORROW MORNING. IT WAS BELIEVED TWO OR THREE DAYS MORE WOULD BE NEEDED TO VOTE THE GOVERNMENT'S TOTAL BUDGET OF 900,000,000,000 (BILLION) FRANCS ($7,560,000,000).

THE ANNUAL TAX ON NIGHT CLUBS WAS SET AT 400,000 FRANCS ($3,360) AND IT WAS BELIEVED THAT MANY OF THE SMALLER CABARETS WOULD BE FORCED TO CLOSE. NO NEW CLUBS WILL BE PERMITTED AFTER JAN. 12.

TAXES ON RADIOS OWNED BY PRIVATE PERSONS WERE RAISED FROM 350 FRANCS A YEAR (ABOUT $3) TO 650 FRANCS. DUTIES ON COFFEE, TEA, VANILLA, COCOA AND PEPPER FROM THE COLONIES WERE INCREASED.

DY/RP602PES

THE NEWSPAPER SOCIETY ATTACKED NEWSPRINT RATIONING--WHICH HOLDS MOST LONDON DAILIES TO FOUR PAGES. IT DECLARED THAT "THE UNFAIR OR UNNECESSARY" USE OF RATIONING WOULD BE "A MOST DANGEROUS FORM OF GOVERNMENT INFLUENCE, WHICH COULD AMOUNT TO ABSOLUTE CONTROL."

DENYING CHARGES OF NEWS SUPPRESSION OR DISTORITION, THE SOCIETY SAID IT "HAS NEVER BEEN ADVISED OF ANY ACTION BY AN ADVERTISER LEADING TO AN INFLUENCE ON THE TREATMENT OF NEWS."

THE SOCIETY ASSERTED THE COMMISSION ITSELF IS EXERCISING A FORM OF SUPPRESSION BY HEARING ORAL EVIDENCE IN SECRET AND BY INDICATING IT WILL NOT PUBLISH ANY ANSWERS AGAINST THE WISHES OF THE WITNESSES.

THE SOCIETY ALSO WARNED AGAINST TOO HEAVY RELIANCE UPON THE GOVERNMENT PRESS OR PUBLIC RELATIONS OFFICER:

"THE PRESS HAS CONSTANTLY TO BE ON ITS GUARD AGAINST HIS PRESENT TECHNIQUE, THE PREPARED STATEMENT AND THE PRESS CONFERENCE. THE TENDENCY OF THIS TECHNIQUE IS ON OCCASIONS TO INFLUENCE THE PRESS TO PRESENT NEWS IN THE MANNER DESIRED BY THE DEPARTMENT."

QQ943AES

30.24- 14417

PARIS, DEC.22-(AP)-FINANCE MINISTER RENE MAYER ANNOUNCED TODAY A SPECIAL 400,000 (THOUSAND) FRANC ($3,360) YEARLY TAX ON NIGHT CLUBS, AND NEW LEVIES ON GASOLINE, PRECIOUS METALS, ALCOHOL, SPICES AND OTHER LUXURY PRODUCTS AS THE NATIONAL ASSEMBLY DEBATED HIS BUDGET PLAN.

THE NIGHT CLUB TAX IS EXPECTED TO CLOSE MANY SMALL CABARETS, ALREADY HARD HIT BY THE DEPARTURE OF ALLIED TROOPS. THE NEW TAXES ARE CALCULATED TO BRING IN ABOUT $1,500,000,000.

DEBATE ON THE GOVERNMENT'S FINANCIAL MEASURES IS EXPECTED TO LAST THROUGH THE NIGHT, WITH OBSERVERS PREDICTING A VICTORY FOR THE GOVERNMENT WHEN THE VOTES COMES TOMORROW.

IN RETURN FOR APPROVAL OF THE NEW TAXES, THE GOVERNMENT HAS AGREED TO CUT ITS ORDINARY CIVILIAN BUDGET 10 PERCENT. THIS WOULD BRING TOTAL EXPENDITURES FOR 1948 TO JUST OVER $9,000,000,000 (BILLION).

00934AES

PARIS, DEC. 22-(AP)-A PLEA OF MERCY FOR THE 40,000 FRENCHMEN STILL HELD ON CHARGES OF COLLABORATING WITH THE GERMANS WAS ISSUED TODAY BY THE CARDINALS AND BISHOPS OF THE ROMAN CATHOLIC CH[illegible] IN A LETTER TO PRESIDENT VINCENT AURIOL.

DEC 1947

AN ESTIMATED 200,000 HAVE BEEN CONVICTED.

MANY OF THE "POLITICAL PRISONERS" THE LETTER SAID, HAVE BEEN HELD FOR ALMOST THREE YEARS AND NEVER BROUGHT TO TRIAL. THE LETTER DID NOT USE THE WORD, "AMNESTY," BUT SAID, "THE HOUR HAS COME FOR THE GOVERNMENT TO DISCOVER A SOLUTION TO THIS TRAGIC SITUATION."

RP849PES

ROME--FIRST ADD NIGHT LEAD ITALIAN (A25) X X X [redacted]

ANOTHER DEATH WAS REPORTED IN CAMPOBELLO DI LICATA, NEAR AGRIGENTO, WHERE A LEFTIST MOB ATTACKED HEADQUARTERS OF THE UOMO QUALUNQUE (COMMON MAN) AND CHRISTIAN DEMOCRATIC PARTIES. THE NEWS AGENCY ANSA SAID A SHOT FIRED FROM CHRISTIAN DEMOCRATIC HEADQUARTERS KILLED A DEMONSTRATOR, FRANCESCO DANTONA, AND THAT THE MAN WHO FIRED THE SHOT WAS BEATEN AND LEFT IN CRITICAL CONDITION.

RP758PES

BY RICHARD KASISCHKE

BERLIN, DEC. 22-(AP)-THE U.S. AND BRITISH MILITARY GOVERNORS OF GERMANY DECLARED TODAY THE WESTERN ALLIES HAD NO INTENTION OF WITHDRAWING FROM BERLIN AND THAT THEY HOPED FOR CONTINUANCE OF THE FOUR-POWER ALLIED CONTROL COUNCIL FOR GERMANY.

GEN.LUCIUS D.CLAY, THE AMERICAN GOVERNOR, AND GEN.SIR BRIAN ROBERTSON, THE BRITISH COMMANDER, MADE THEIR VIEWS KNOWN AT SEPARATE NEWS CONFERENCES.

CLAY SAID AMERICAN AND BRITISH AUTHORITIES PLANNED IMMEDIATE STEPS TO STRENGTHEN THE ECONOMIC UNIFICATION OF THEIR ZONES, BUT THAT ANY POLITICAL UNIFICATION WOULD WAIT UPON APPROVAL FROM THE GERMAN PEOPLE.

THE SOVIET NEWSPAPER TAEGLICHE RUNDSCHAU HERE CARRIED AN EDITORIAL LAST WEEK TO THE EFFECT FORMATION OF A SEPARATE GOVERNMENT IN WESTERN GERMANY MIGHT LEAD TO A REQUEST THAT THE WESTERN ALLIES LEAVE BERLIN, WHICH IS SURROUNDED BY THE RUSSIAN ZONE.

ASKED ABOUT THE EDITORIAL, THE BRITISH GENERAL SAID:

"IF IT IS A THREAT I CAN ONLY SAY THAT I TAKE NO NOTICE OF IT. I'M CERTAINLY NOT GOING TO ALLOW MYSELF TO BE RATTLED BY SUCH STATEMENTS."

DEC 1947

HE ADDED THAT HE DID NOT BELIEVE ANY ALLY "WOULD BE SO UNWISE" AS TO SEEK THE BREAKUP OF THE FOUR-POWER ADMINISTRATION IN BERLIN. HE SAID HE REGARDED BERLIN AND THE ALLIED ORGANIZATION AS "A MOST IMPORTANT BRIDGE SPANNING THE DIFFERENCES WHICH UNFORTUNATELY STILL EXIST BETWEEN THE ALLIES, AND A BRIDGE BETWEEN EASTERN AND WESTERN GERMANY."

CLAY SAID THE UNITED STATES WOULD CONSIDER IT "A VERY SERIOUS STEP IF ONE POWER SEEKS TO WITHDRAW FROM AGREEMENTS WHICH BROUGHT US TO BERLIN." HE ADDED "I DO NOT, AT THE PRESENT MOMENT, CONSIDER IT LIKELY THAT ANY POWER WILL DO SO."

THE AMERICAN GOVERNOR DENIED CHARGES IN THE SOVIET-CONTROLLED PRESS HERE THAT THE WESTERN POWERS WANTED TO PARTITION GERMANY PERMANENTLY BY SETTING UP A GOVERNMENT FOR WESTERN GERMANY.

CLAY SAID HE AND ROBERTSON WOULD MEET SHORTLY AFTER THE CHRISTMAS HOLIDAYS TO DISCUSS MEASURES FOR STRENGTHENING THE BRITISH-AMERICAN BIZONAL SETUP.

JJ515PES

NUERNBERG, GERMANY, DEC.22-(AP)-THE GERMANS CARRIED OUT SABOTAGE ACTIVITIES IN THE UNITED STATES EVEN BEFORE PEARL HARBOR, DR.R.W.KEMPNER OF THE WAR CRIMES PROSECUTION STAFF REPORTED TODAY.

THE NAZI-DIRECTED SABOTAGE, KEMPNER SAID, OCCURRED IN NEW YORK STATE, NEW JERSEY, PENNSYLVANIA AND TEXAS, ACCORDING TO WITNESSES QUESTIONED FOR THE COMING TRIAL OF FORMER GERMAN FOREIGN OFFICE OFFICIALS.

KEMPNER WITHHELD THE NAMES OF THE WITNESSES AND SAID FURTHER DETAILS COULD NOT BE GIVEN AT PRESENT.

THE AGENTS WERE INSTRUCTED TO DAMAGE HARBOR FACILITIES, RAIL LINES AND STRATEGIC FACTORIES AND TO START FOREST FIRES, KEMPNER SAID.

THE SABOTAGE PLAN, HE SAID, WAS A JOINT OPERATION OF THE GERMAN MILITARY INTELLIGENCE AND SABOTAGE AGENCY KNOWN AS "ABWEHR" AND OF THE FOREIGN OFFICE.

CERTAIN GERMAN EMBASSIES IN THE WESTERN HEMISPHERE WERE SAID TO HAVE PROVIDED THE MONEY AND COMMUNICATION FACILITIES.

DEC 1947

00825AES

HAMBURG, GERMANY, DEC. 22-(AP)-[illegible]ELD MARSHAL KARL RUDOLF GERD VON RUNDSTEDT, WHO COMMANDED GERMAN FORCES IN THE BATTLE OF THE BULGE, ARRIVED BY PLANE TODAY FROM A PRISONER-OF-WAR CAMP IN BRITAIN. HE IS BEING PERMITTED TO VISIT HIS SON, GERD VON RUNDSTEDT, 40, SERIOUSLY ILL AT HANNOVER.

THE FIELD MARSHAL, 72, WAS ACCOMPANIED BY AN OFFICER ESCORT.

JS1232PES

BELGRADE, YUGOSLAVIA, DEC. 2[illegible]AP)-EIGHT LIEUTENANT-GENERALS WERE PROMOTED TO COLONEL-GENERALS TODAY IN THE CELEBRATION OF THE SIXTH ANNIVERSARY OF THE FOUNDING OF THE NEW YUGOSLAV ARMY.

THIS WAS THE FIRST TIME THE RANK OF COLONEL-GENERAL HAS BEEN HELD IN YUGOSLAVIA. AMONG THOSE PROMOTED WAS KOCHA POPOVIC, CHIEF-OF-STAFF.

FD959AES

MOSCOW, DEC. 22-(AP)-RUSSIAN VOTERS CHOSE REPRESENTATIVES YESTERDAY FOR LOCAL GOVERNMENT BODIES IN FIVE OF THE U.S.S.R.'S 16 REPUBLICS, WHERE CANDIDATES INCLUDED PRIME MINISTER STALIN, UPON WHOSE 68TH BIRTHDAY THE ELECTION OCCURRED.

MANY VOTERS WENT TO STALIN'S MOSCOW DISTRICT TO CAST BALLOTS FOR THE RUSSIAN LEADER. IN ACCORD WITH THE PRACTICE OF THE LAST FEW YEARS HE ISSUED NO STATEMENT AND THERE WAS NO PUBLIC BIRTHDAY CELEBRATION, ALTHOUGH MOSCOW NEWSPAPERS CARRIED HIS PICTURE ON PAGE ONE WITHOUT COMMENT.

(THE MOSCOW RADIO HEARD IN LONDON SAID THAT IN FIVE HOURS 100 PER CENT OF THE ELECTORS IN STALIN'S DISTRICT HAD VOTED FOR HIM.)

STALIN RETURNED RECENTLY FROM HIS THIRD VACATION IN SOUTHERN RUSSIA SINCE THE WAR'S END, AND PERSONS WHO HAVE SEEN HIM SAY HE APPEARS IN GOOD HEALTH.

(THERE WAS NO OPPOSITION TICKET. NOMINEES WERE PUT UP EITHER BY THE "BLOC COMMUNISTS OR NON-PARTY CITIZENS" WHOSE CANDIDATES WERE APPROVED BY THE COMMUNISTS. A VOTER CAN INDICATE OPPOSITION ONLY BY SCRATCHING A CANDIDATE'S NAME OFF THE BALLOT.)

ALL STORES EXCEPT BREAD SHOPS WERE CLOSED FOR THE ELECTIONS AND MOSCOW WAS DECKED OUT WITH FLAGS AND DECORATIONS.

BALLOTING TOOK PLACE IN THE RUSSIAN FEDERATED SOCIALIST, UKRAINIAN, MOLDAVIAN, ARMENIAN AND KARELIAN-FINNISH REPUBLICS. THE OTHER 11 REPUBLICS WILL VOTE IN JANUARY AND FEBRUARY TO COMPLETE FILLING 1,600,000 SEATS IN LOCAL GOVERNMENT BODIES.

JR305AES DEC 1947

NIGHT LEAD CHINESE (190)
BY HAROLD K,MILKS

NANKING, DEC. 22-(AP)-CHINESE GOVERNMENT QUARTERS VOICED FEARS TODAY THAT MUKDEN MIGHT HAVE TO BE ABANDONED IN THE FACE OF COMMUNIST OPERATIONS NOW FRANKLY CHARACTERIZED AS THE "SEVENTH MANCHURIAN OFFENSIVE."

ACTING DEFENSE MINISTER CHIN TEH-CHUN TOLD THE WEEKLY MEMORIAL MEETING OF THE KUOMINTANG (GOVERNMENT PARTY) THAT THE PRESENT COMMUNIST OFFENSIVE WOULD "MEET THE SAME FATE AS THE SIX FORMER CAMPAIGNS" IN THE PAST TWO YEARS, ALL OF WHICH EXPIRED AGAINST STUBBORN GOVERNMENT DEFENSE.

OTHER GOVERNMENT SOURCES, WHICH COULD NOT BE NAMED, WERE LESS OPTIMISTIC. THEY SAID THE CONTINUAL DESTRUCTION OF THE PEIPING-MUKDEN RAILWAY MIGHT FORCE THE GOVERNMENT TO PULL OUT OF THE MANCHURIAN CITY RATHER THAN ATTEMPT THE ALMOST IMPOSSIBLE TASK OF SUPPLYING THE LARGE GARRISON BY AIR.

(NO MENTION WAS MADE OF CHANGCHUN, THE GOVERNMENT-HELD CAPITAL OF MANCHURIA, WHICH IS 175 MILES NORTHEAST OF MUKDEN. SINCE ITS SUPPLY PROBLEM IS EVEN MORE DIFFICULT THAN MUKDEN'S, THE SAME ARGUMENTS FOR ITS EVACUATION SHOULD APPLY.)

DESPITE THE TALK OF ABANDONMENT, GEN. WANG HSU-PING, DEPUTY DIRECTOR OF THE CHINESE AIR FORCE, WAS REPORTED TO HAVE GONE TO MUKDEN TO CONFER ON THE PROBLEMS OF AIR SUPPORT AND SUPPLY.

XA616PCS

NANKING, TUESDAY, DEC. 23-(AP)-REAR ADM. STUART MURRAY, COMMANDER OF THE U.S. NAVAL ADVISORY GROUP IN CHINA, IS BEING RELIEVED UNDER NORMAL ROTATION POLICY AND WILL BE SUCCEEDED BY CAPT. HARRY RAYMOND THURBER, DUE HERE JAN. 1, A NAVAL SPOKESMAN SAID TODAY.

THE TRANSFER "CARRIES NO POLITICAL IMPLICATIONS," HE ADDED.

THURBER, ONCE ADMIRAL HALSEY'S OPERATIONS OFFICER, REPORTEDLY IS TO BE PROMOTED TO REAR ADMIRAL.

DJ959PCS

NANKING, DEC. 22-(AP)-A CHARTERED FOUR-ENGINED BELGIAN AIRLINER CARRYING 30 CATHOLIC MISSIONARIES WAS REPORTED TODAY TO HAVE CRASHED FOUR MILES FROM THE KUNMING AIRFIELD, SERIOUSLY INJURING TEN OCCUPANTS.

THE REPORT ON THE CASUALTIES CAME FROM THE FRENCH CONSUL AT KUNMING SHORTLY AFTER A SPOKESMAN FOR CHINA'S CIVIL AERONAUTICS AUTHORITY ANNOUNCED THE CRASH. A CATHOLIC OFFICIAL HERE SAID THE PLANE WAS A BRITISH-MADE SHORT STIRLING.

RA12ARS NM

PRECEDE NANKING PLANE

SHANGHAI, DEC. 22-(AP)-THE CO-PILOT WAS FATALLY INJURED AND NINE PERSONS WERE HURT SLIGHTLY WHEN A BELGIAN PLANE CARRYING 25 MISSIONARIES CRASHED NEAR KUNMING IN SOUTHWEST CHINA TODAY, CHINESE NATIONAL AVIATION CORP. SOURCES REPORTED.

THEY SAID THE PLANE, A FOUR-ENGINE SHORT-STIRLING UNDER CHARTER FROM THE BELGIAN AIRLINE WAS BOUND TO SHANGHAI AND PEIPING VIA CANTON WHEN IT CRASHED FOUR MILES FROM THE KUNMING FIELD AFTER THE TAKEOFF.

THE CHINESE CIVIL AERONAUTICS AUTHORITY CONFIRMED THE CRASH, BUT HAD NO WORD ON THE CASUALTIES, WHICH EARLIER REPORTS HAD SAID INVOLVED TEN SERIOUS INJURIES.

JM803PCS

GIFTS INCLUDED A SILVER SERVICE AND LACE TABLE CLOTHS FROM THE PARENTS OF MISS CHAN. HER FATHER, DR. Y. W. CHAN, IS CONSUL-DESIGNATE AT KUCHING, SARAWAK, AND FORMERLY WAS CONSUL AT SAN FRANCISCO.

THE BRIDE WAS ATTENDED BY HER SISTER, CYNTHIA, WHOSE WORK AS A NURSE FOR THE FLYING TIGERS IN KUNMIND DURING THE WAR WAS INSTRUMENTAL IN BRINGING ABOUT THE FIRST MEETING OF CHENNAULT AND ANNA. A FORMER FLYING TIGER, COL. THOMAS C. JEFFREY, WAS BEST MAN.

DEC 1947

A4FX

CHENNAULT ORGANIZED THE FLYING TIGERS AMONG VOLUNTEER AMERICAN AIRMEN AS PROTECTORS OF THE BURMA ROAD

A4FX

CHENNAULT ORGANIZED THE FLYING TIGERS AMONG VOLUNTEER AMERICAN AIRMEN AS PROTECTORS OF THE BURMA ROAD AGAINST JAPANESE RAIDERS BEFORE THE UNITED STATES ENTERED THE WAR. AFTER THE ENTRY, HE WAS MADE COMMANDER OF THE NEW U. S. 14TH AIR FORCE. SINCE WAR'S END, HE ORGANIZED AN AIRLINE WHICH FLIES UNRRA SUPPLIES TO CHINA AND HOPES TO CONVERT IT INTO A COMMERCIAL LINE.

THE LINE'S RELIEF WORK, CARRIED ON BY MANY FORMER FLYING TIGERS, IS DUE TO END THIS MONTH.

WHEN THE DIVORCE OF CHENNAULT AN

DEC 1947

IS DUE TO END THIS MONTH.

WHEN THE DIVORCE OF CHENNAULT AND HIS FIRST WIFE, MOTHER OF HIS EIGHT CHILDREN, WAS DISCLOSED AT ST. JOSEPH, LA., CHENNAULT SAID "NO, NO," TO THE QUESTION WHETHER HE WOULD REMARRY.

ROMANCE BETWEEN THE AMERICAN AND ANNA BEGAN A YEAR AGO IN SHANGHAI WHEN SHE ACCOMPANIED HIM ON THE MAIDEN FLIGHT OF THE SERVICE.

CHENNAULT, A PERSONAL FRIEND OF GENERALISSIMO CHIANG KAI-SHEK, HAS TOLD FRIENDS THAT HE EXPECTS TO SPEND THE REMAINDER OF HIS LIFE IN CHINA.

LB1131PPS NM

30.24- 14419

WAR TRIAL

TOKYO, DEC 22-(AP)-FORMER FOREIGN MINISTER SHIGENORI TOGO SAID TODAY HE SAW NO SPECIAL SIGNIFICANCE IN THE FACT THAT EMPEROR HIROHITO WAS WEARING A NAVAL UNIFORM WHEN HE RECEIVED PRESIDENT ROOSEVELT'S PERSONAL PLEA FOR PEACE 20 MINUTES BEFORE JAPANESE NAVAL PLANES ATTACKED PEARL HARBOR.

TOGO, ONE OF 25 TOP JPANESE WAR LEADERS ON TRIAL BEFORE THE INTERNATIONAL TRIBUNAL, WAS QUESTIONED ON THE POINT BY CHIEF PROSECUTOR JOSEPH KEENAN. THE DEFENDANT SAID THE EMPEROR USUALLY RECEIVED HIM IN THE UNIFORM OF EITHER THE JAPANESE ARMY OR NAVY.

TOGO ADMITTED THAT HE AND PREMIER HIDEKI TOJO HAD DRAFTED A REJECTION BEFORE CONVEYING PRESIDENT ROOSEVELT'S PEACE PLEA TO THE EMPEROR.

A FOREIGN OFFICE DOCUMENT TOLD OF TOGO'S MEETING NEXT MORNING WITH U. S. AMBASSADOR JOSEPH GREW. IT SAID GREW WANTED AN AUDIENCE WITH THE EMPEROR TO MAKE SURE THE PEACE PLEA HAD BEEN DELIVERED AND THAT TOGO REPLIED HE WOULD GIVE THE MATTER "CONSIDERATION."

"DO YOU WANT US TO UNDERSTAND THE EMPEROR OF JAPAN, PERHAPS IN A NAVAL UNIFORM OR OTHERWISE, WOULD HAVE RECEIVED THE AMBASSADOR OF COUNTRY WITH WHICH JAPAN WAS AT WAR?" ASKED KENNAN.

"I DID NOT ENTERTAIN SUCH FEELINGS," TOGO REPLIED. DEC 1947

P556ACS

NIGHT LEAD WAR TRIAL

TOKYO,TUESDAY,DEC.23-(AP)-CHIEF PROSECUTOR JOSEPH B.KEENAN SAID TODAY THAT HIDEKI TOJO, PREMIER OF JAPAN WHEN SHE STRUCK PEARL HARBOR, PROBABLY WILL TAKE THE WITNESS STAND IN HIS OWN DEFENSE IN THE INTERNATIONAL WAR CRIMES COURT WEDNESDAY (TUESDAY NIGHT, U.S. DATE).

CROSS EXAMINATION OF FORMER FOREIGN MINISTER SHIGENORI TOGO, WHO SERVED IN TOJO'S CABINET; MEANWHILE WAS CONTINUING.

TOGO TOLD THE COURT TODAY THAT "PERSONALLY, I DID NOT APPROVE OF ADOLF HITLER'S METHODS," BUT THAT HE COULD NOT GO SO FAR AS TO SAY HE OPPOSED AN ALLIANCE BETWEEN JAPAN AND THE GERMAN-ITALIAN AXIS.

DJ&JM1001PCS NM

JAPAN-CHRISTMAS

TOKYO,DEC 22 (AP)-THE ARMY PROMISED ITS OCCUPATION TROOPS TODAY THAT THEIR THIRD CHRISTMAS IN JAPAN WILL BE COMPLETE WITH ALL THE SOLEMNITY AND GAIETY WHICH THE DAY MERITS.

CHRISTMAS WILL BE AN OFFICIAL HOLIDAY HERE, WITH ONLY THE NECESSARY GUARD AND FATIGUE DETAILS ON DUTY.

CHRISTMAS WEEK OPENED YESTERDAY WITH A RENDITION OF HANDEL'S "MESSIAH" BY AMERICANS AND JAPANESE. THE ANNUAL CHRISTMAS PARADE WILL BE STAGED TOMORROW, WITH SANTA CLAUS HEADING A PROCESSION OF SOME 30 FLOATS.

THE 43RD WEATHER WING PREDICTED A LIGHT SNOWFALL FOR CHRISTMAS EVE, BUT SAID THE FLAKES PROBABLY WOULD MELT DURING CHRISTMAS DAY.

GG850ACS N

TOKYO,DEC.22-(AP)-K.P.S.MENON, INDIAN AMBASSADOR TO CHINA, ARRIVED TODAY FOR CONFERENCES WITH SIR RAMA RAU, HEAD OF THE INDIAN MISSION TO JAPAN.

VR425ACS

YOKOSUKA,JAPAN,DEC.22-(AP)-THE U.S.S.PRESIDENT JACKSON DOCKED TODAY WITH A CHRISTMAS PRESENT JAPAN HAS EAGERLY AWAITED--7,000 BAGS OF LETTERS AND PACKAGES FOR JAPANESE FROM FRIENDS AND RELATIVES IN THE UNITED STATES.

VR518ACS NM

HONOLULU,DEC.22-(AP)-JACK HALL, HAWAII LEADER OF THE CIO INTERNATIONAL LONGSHOREMEN'S AND WAREHOUSEMEN'S UNION, SENT A CIRCULAR LETTER TO THE MEMBERS TODAY, DENYING THAT HE WAS A COMMUNIST AND CHARGING THAT ALLEGATIONS THAT HE WAS A COMMUNIST WERE PART OF "A GIGANTIC PLOT" TO DESTROY THE UNION.

HALL PROMISED TO DISCLOSE SOON DETAILS OF THE "PLOT," WHICH HE SAID INVOLVED "HIGH GOVERNMENT OFFICIALS, EMPLOYERS AND STOOL PIGEONS."

JM758PCS

By Edward Curtis

DEC 1947

Haifa, Palestine, Dec. 22-(AP)-Arabs and Jews in this battle scarred port still work side by side on the docks, at oil companies and refineries and in shipping the Palestine citrus crop.

But, as a British constable said today, "there's not much Christmas spirit here. There's a bit of shooting down the street aways, but there usually is after dark in the mixed Arab and Jewish quarters, although its nothing like it was a few days ago."

"It isn't considered healthy to be out after dark," one Haifa resident told this reporter.

DEC 19

Many military and police patrols roam the dark and empty streets every night. Beginning in mid-afternoon, shops and businesses along Kingsway, which rims the docks, begin shuttering up for the day. When darkness closes in at 5 p.m., all are closed.

Store fronts along kingsway still carry bullet holes and marks of savage clashes. Some proprietors left plate glass windows unrepaired and lined them with steel sheets. Steel grillwork, which normally is lifted on fronts of business houses, is left down throughout the day and only one door opening is unsecured.

DEC 1947

The office of the Alamein Taxi company was being banked with sandbags. Two arabs wearing white headclothes but otherwise dressed in western style searched all who entered the office.

Business along ~~Mingaw~~ Kingsway appeared greatly curtailed. For two blocks, a high wire fence cut off one side of the street as a guard for the police station and post office. Highways from the north ~~and~~ leading into Kingsway have been blocked and traffic diverted.

DEC 1947

Jewish and Arab stevedores work together on the docks, which are rapidly being clogged because owners of imported goods are afraid to expose their wares to the uncertainty of road transport.

The Arabs and Jews cooperate in shipping Palestine's citrus, which has taken half of the covered storage space on the docks, further increasing the crowding. Several ships are standing outside in the roadstead awaiting their turn for space in which to unload cargoes.

Wheat consigned to Trans-Jordan and other cargoes for middle east countries has been dumped on open quays.

DEC 1947

Jews living in the arab districts have traded apartments with Arabs living in Jewish quarters. Where that wasn't possible, the Jews have doubled up with Jewish friends and Arab have moved to nearby arab villages.

30.24- 14421

CAIRO, DEC 22-(AP)-FOUR THOUSAND WORKERS ON THE EGYPTIAN STATE RAILWAYS STARTED A SITDOWN STRIKE TODAY IN A DEMAND FOR HIGHER WAGES.

RAILWAY OFFICIALS EXPRESSED HOPES THE STRIKE WOULD BE OF SHORT DURATION, FOR THEY SAID THE RAILWAY BOARD OF DIRECTORS HAD APPROVED AN ALLOCATION OF FUNDS TO MEET THE WORKERS' DEMANDS.

CAIRO POLICE DECLARED A STATE OF EMERGENCY MEANWHILE AS A RESULT OF STRIKES BY PRIVATE SCHOOL TEACHERS, SECONDARY SCHOOL STUDENTS, GOVERNMENT HOSPITAL NURSES AND INDUSTRIAL SCHOOL GIRLS. POLICE TRUCKS PATROLLED THE MAIN THOROUGHFARES TO PREVENT DEMONSTRATIONS WHICH THE POLICE APPARENTLY FEARED MIGHT BREAK OUT IN CONNECTION WITH THE STRIKES.

MK717AES

CAIRO, DEC. 22-(AP)-AL ZAMAN, INDEPENDENT NEWSPAPER, SAID TONIGHT "SPREADING COMMUNISM" WAS THE AIM OF A PLOT AMONG EGYPTIAN ARMY OFFICERS WHICH THE GOVERNMENT SAID RECENTLY IT HAD UNCOVERED.

IN AN INQUIRY INTO THE CONSPIRACY, THE GOVERNMENT CHARGED EARLY THIS MONTH THAT A GROUP OF OFFICERS PLANNED TO ASSASSINATE CHIEF OF STAFF ATALLA PASHA BECAUSE THEY HELD HIM RESPONSIBLE FOR DELAY IN THE ARMY'S IMPROVEMENT.

IN ITS REPORT, AL ZAMAN SAID, "AN ASSOCIATION WAS FORMED WITHIN THE ARMY, UNDER THE DENOMINATION, 'NATIONAL ASSOCIATION FOR EXTREME SOCIALISM,' WITH THE OBJECT OF ASSASSINATIOG EGYPTIAN LEADERS, SMUGGLING WEAPONS INTO PALESTINE AND SPREADING COMMUNISM BY ALL POSSIBLE MEANS."

THE PAPER SAID 17 OFFICERS HAD BEEN DETAINED FOR INVESTIGATION BUT EIGHT OF THESE NOW HAD BEEN RELEASED.

RP915PES DEC 1947

NIGHT LEAD IRANIAN (250)

TEHRAN, DEC. 22-(AP)-IBRAHIM HAKIMI, VETERAN 75-YEAR-OLD IRANIAN POLITICIAN WHOSE POLICIES HAVE BEEN A TARGET FOR SOVIET CRITICISM, HAS BEEN NAMED PREMIER TO SUCCEED AHMED QAVAM, IT WAS ANNOUNCED TODAY.

REZA HEKMAT, SPEAKER OF THE IRANIAN PARLIAMENT, DISCLOSED THE CHOICE.

HAKIMI STEPPED DOWN AS PREMIER IN JANUARY, 1946, TO BE SUCCEEDED BY QAVAM. HAKIMI RESIGNED AT THAT TIME UNDER PRESSURE FROM QAVAM SUPPORTERS WHO SOUGHT A MAN CAPAB

E OF NEGOTIATING SUC

QAVAM SUPPORTERS WHO SOUGHT A MAN CAPABLE OF NEGOTIATING SUCCESSFULLY WITH THE RUSSIANS FOR REMOVAL OF THEIR OCCUPATION TROOPS FROM IRAN.

QAVAM RESIGNED AS PREMIER AFTER FAILING TO WIN A VOTE OF CONFIDENCE IN THE PARLIAMENT 12 DAYS AGO. THE PARLIAMENT HAD PREVIOUSLY DECLARED VOID OVER QAVAM'S PROTEST HIS AGREEMENT WITH THE RUSSIANS FOR CREATION OF A JOINT RUSSIAN-IRANIAN OIL COMPANY TO EXPLOIT OIL RESOURCES IN NORTHERN IRAN.

THAT AGREEMENT WAS MADE DURING THE NEGOTATIONS BY QAVAM WITH THE RUSSIANS WHICH ENDED IN THEIR TROOPS WITHDRAWING FROM IRANIAN SOIL. AFTER THE PARLIAMENT ACTED THE RUSSIANS ACCUSED QAVAM OF FOLLOWING A "TREACHEROUS POLICY" IN DEALING WITH SOVIET AUTHORITIES, AND THREATENED TO SEVER DIPLOMATIC RELATIONS WITH IRAN.

THE NEW PREMIER HAS HELD VIRTUALLY EVERY MINISTERIAL PORTFOLIO IN THE IRANIAN GOVERNMENT. HE COMES FROM AN ARISTOCRATIC FAMILY, IS WELL EDUCATED AND AN ACCOMPLISHED LINGUIST. HE WAS INFLUENTIAL IN GETTING IRAN TO ENTER THE OLD LEAGUE OF NATIONS.

DURING HIS PREMIERSHIP IN 1945 HE CALLED FOR EVACUATION OF ALL FOREIGN TROOPS FROM IRANIAN SOIL. BRITISH AND SOME AMERICAN TROOPS WERE THEN IN IRAN, BUT WITHDREW IN ACCORD WITH THE AGREEMENT FOR WAR-TIME OCCUPATION OF THE COUNTRY. THE RUSSIANS WERE THE LAST TO LEAVE. THEY WITHDREW DURING UNITED NATIONS CONSIDERATION OF THEIR PRESENCE IN IRAN IN MAY AND JUNE OF 1946.

RP615PES

FIRST LEAD IRANIAN

TEHRAN, IRAN, DEC 22-(AP)-REZA HEKMAT, SPEAKER OF THE IRANIAN MAJLIS (PARLIAMENT) SAID TODAY IBRAHIM HAKIMI AL MOLK HAD BEEN NAMED PREMIER TO SUCCEED AHMED QAVAM.

HAKIMI, WHO IS 75, AND A MEMBER OF AN ARISTOCRATIC FAMILY, WAS PREMIER TWICE IN 1945. HE IS SOMEWHAT DEAF AND USES AN EAR TRUMPET.

THE MAJLIS NOMINATED HAKIMI AND DR.MOHAMMAD MOSADEGH FOR THE PREMIERSHIP LAST NIGHT IN A TIE VOTE, 54 - 54. QAVAM RESIGNED DEC. 10 AFTER FAILING TO WIN A SUFFICIENT MAJORITY IN A PARLIAMENTARY VOTE OF CONFIDENCE.

DEC 1947

TEHRAN, DEC 22-(AP)-IRAN WAS STILL WITHOUT A PREMIER TODAY AFTER PARLIAMENT, IN A TIE VOTE LAST NIGHT, NOMINATED TWO MEN -- IBRAHIM HAKIMI AND DR. MOHAMMAD MOSADEGH -- TO FILL THE POST RESIGNED BY AHMED QAVAM, WHO FAILED TO WIN A PARLIAMENTARY CONFIDENCE VOTE DEC.10.

EACH NOMINEE RECEIVED 54 VOTES, LEAVING SHAH REZA PAHLEVI THE CHOICE OF APPOINTING EITHER ONE, OR ASKING PARLIAMENT TO VOTE AGAIN. SIX OF THE 114 DEPUTIES PRESENT DID NOT PARTICIPATE IN THE BALLOTING.

QAVAM WAS CHOSEN PREMIER (superseded) IN JANUARY, 1946, AND HEADED THE GOVERNMENT DURING DIFFERENCES WITH RUSSIA OVER THE WITHDRAWAL OF SOVIET TROOPS SENT INTO IRAN DURING THE WAR TO GUARD THE OVERLAND SUPPLY ROUTE TO RUSSIA.

THE SOVIET TROOPS EVACUATED IRAN DURING UNITED NATIONS CONSIDERATION OF THE ISSUE IN MAY AND JUNE, 1946. WAVAM THEN SUCCEEDED IN BRINGING AZERBAIJAN PROVINCE BACK UNDER THE AUTHORITY OF THE CENTRAL IRANIAN GOVERNMENT AFTER THE PROVINCE, WHICH ADJOINS THE U.S.S.R., HAD BEEN GOVERNED FOR A TIME BY A SOVIET-FAVORED SEMI-AUTONOMOUS REGIME.

LAST AUGUST AND AGAIN IN OCTOBER PARLIAMENT ACCORDED QAVAM VOTES OF CONFIDENCE.

ON OCT. 22 PARLIAMENT DECLARED VOID, OVER QAVAM'S PROTEST, HIS UNDERSTANDING WITH THE RUSSIANS FOR THE CREATION OF A JOINT RUSSIAN-IRANIAN OIL COMPANY TO EXPLOIT OIL RESOURCES IN NORTHERN IRAN.

THE SOVIET PRESS IMMEDIATELY ASSAILED QAVAM, ASSERTING HE HAD FOLLOWED A "TREACHEROUS POLICY" IN DEALING WITH RUSSIAN AUTHORITIES.

ON DEC.14 DISSIDENT MEMBERS OF QAVAM'S DEMOCRAT PARTY OCCUPIED PARTY CLUBS AND THE EDITORIAL OFFICE AND PRINTING PLANT OF THE PARTY'S NEWSPAPER.

MK702AES

DEC 1947

DAMASCUS, SYRIA, DEC 22-(AP)-THE GOVERNMENT ENLISTED HUNDREDS OF PHYSICIANS AND MEDICAL STUDENTS IN AN EMERGENCY VACCINATION PROGRAM TODAY TO COMBAT A CHOLERA EPIDEMIC WHICH BROKE OUT IN SYRIA DURING THE WEEKEND.

INFECTED AREAS WERE ISOLATED AND PUBLIC HEALTH AUTHORITIES BROADCAST INSTRUCTIONS FOR PREVENTIVE MEASURES. A GROUP OF MEDICAL EXPERTS, SENT FROM CAIRO AT THE REQUEST OF PREMIER JAMIL MARDAM BEY, ARRIVED BY PLANE YESTERDAY TO ASSIST IN ORGANIZING THE ANTI-CHOLERA CAMPAIGN.

EGYPT RECENTLY HAD A SEVERE EPIDEMIC.

MK714AES DEC 1947

NEW DELHI, DEC.22-(AP)-BALDEV SINGH, INDIAN DEFENSE MINISTER, ANNOUNCED TODAY THAT BY NEXT APRIL 1 THE FREE INDIAN ARMY WOULD BE OFFICERED ALMOST ENTIRELY BY INDIANS.

FOR MORE THAN A CENTURY UNDER BRITISH RULE THE INDIAN ARMY HAS BEEN LARGELY LED AND COMMANDED BY BRITISH OFFICERS.

BETWEEN 200 AND 300 BRITISH OFFICERS WILL BE RETAINED ON THE ADVISORY STAFF AND IN TRAINING CAPACITIES, THE DEFENSE MINISTER TOLD A NEWS CONFERENCE. HE SAID PLANS ALSO WERE BEING WORKED OUT FOR OBTAINING SOME AMERICAN AS WELL AS BRITISH OFFICERS FOR CERTAIN SPECIAL WORK--BUT HE DID NOT DISCLOSE DETAILS.

0080GAES

RANGOON, BURMA, DEC 22-(AP)-FOREIGN MINISTER TIN TUT AND U.S. CHARGE D'AFFAIRES R.AUSTIN ACKLY SIGNED TODAY A 20-YEAR EDUCATIONAL AGREEMENT, THE FIRST INTERNATIONAL DOCUMENT TO WHICH THE OFFICIAL SEAL OF THE NEW REPUBLIC OF BURMA HAS BEEN AFFIXED.

THE AGREEMENT PROVIDES FOR A TWO WAY EXCHANGE OF EDUCATIONAL FACILITIES. ACKLY, IN THE CEREMONY AT THE U.S.EMBASSY, SAID HE HOPED THE ACCORD WOULD BRING THE UNITED STATES AND BURMA TO A BETTER UNDERSTANDING AND ADVANCE THE CAUSE OF WORLD PEACE. HE RECALLED THAT U.S.EDUCATIONAL INSTITUTIONS HAD OPERATED IN BURMA SINCE 1822.

TIN TUT SAID BURMA WOULD WELCOME AMERICAN AID IN BUILDING A SOUND EDUCATIONAL SYSTEM.

RQ1056AES DEC 1947

BY M.M.KREEGER

HAVANA, DEC.22-(AP)-THE HAVANA TRADE CONFERENCE TODAY ENTERED ITS SECOND MONTH OF DELIBERATION ON A PROPOSED INTERNATIONAL TRADE ORGANIZATION CHARTER WITH ISSUES CLEARLY DRAWN BUT NO SIGN OF A MAJOR SETTLEMENT NEAR.

IN FACT THE APPROVAL OF A CHARTER TO PROMOTE WORLD COMMERCE APPEARS NO CLOSER THAN IT DID WHEN THE MEETING CONVENED UNDER UNITED NATIONS AUSPICES NOV.21. "TARGET DATE" FOR ADJOURNMENT WAS ORIGINALLY JAN.15. TALK IN THE CORRIDORS NOW CONCERNS FEB.15.

THE LINEUP IN DEBATES USUALLY FINDS THE COUNTRIES WITH HIGH INDUSTRIALIZATION AND HEAVY TRADE, SUCH AS THE UNITED STATES, GREAT BRITAIN AND HER DOMINIONS, OPPOSED BY "UNDERDEVELOPED" COUNTRIES SUCH AS MOST OF LATIN AMERICA AND THE MIDDLE EAST.

THE CHARTER AS DRAFTED WOULD OPEN WORLD TRADE TO FREE COMPETITION, DISCOURAGING PREFERENTIAL AGREEMENTS BETWEEN SMALL GROUPS OF NATIONS, HIGH TARIFFS, AND QUOTAS AND LICENSING FOR IMPORTS.

BUT THE UNDERDEVELOPED COUNTRIES CLAIM THEY NEED SPECIAL PERMISSION TO ENGAGE IN SUCH PRACTICES, TO ALLOW NEW AND SMALL INDUSTRIES PROTECTION FOR GROWTH.

THE UNITED STATES, ANXIOUS TO EXPORT CAPITAL, IS ADMITTEDLY THE CHIEF PROPONENT OF THE INTERNATIONAL TRADE ORGANIZATION IDEA. BUT DESPITE THEIR DIFFERENCES OF OPINION, THE SMALLER NATIONS APPEAR TO BE GENERALLY IN FAVOR OF IT--PROVIDED THEY CAN BE "PROTECTED" BY SPECIAL CONSIDERATIONS.

THE UNITED STATES HAS SOMEWHAT RELIEVED THE SMALL COUNTRIES' FEAR OF BIG-NATION DOMINANCE BY AGREEING TO THE IDEA OF A SINGLE VOTE FOR EACH MEMBER. PREVIOUSLY THE UNITED STATES HAD FAVORED ADDED BALLOTING PRIVILEGES FOR BIG AND WEALTHY STATES.

GREAT BRITAIN AND CANADA HAVE WAVERED IN THEIR ADVOCACY OF THE "WEIGHTED VOTE," BUT HAVE NOT GONE OVER TO THE THEORY OF EQUALITY.

APPARENTLY THE ORIGINAL INTERNATIONAL TRADE ORGANIZATION--IF ONE COMES OUT OF THE CONFERENCE--WILL NOT INCLUDE ALL THE 63 NATIONS REPRESENTED HERE. ARGENTINA HAS INDICATED SHE COULD NOT COMPROMISE ON SOME PRINCIPLES UPON WHICH THE UNITED STATES IS FIRM.

SOME OTHER COUNTRIES, UNABLE TO OBTAIN "VITAL" PRIVILEGES, PROBABLY WILL BALK.

JP317AES DEC 1947

BUENOS AIRES, DEC. 22-(AP)-ARGENTINA HAS AGREED TO SELL PERU AND PORTUGAL SUBSTANTIAL AMOUNTS OF WHEAT AND IS NEGOTIATING FOR THE SALE OF MEAT TO PERU AND BUTTER TO PORTUGAL, IT WAS REVEALED TODAY. THE EXACT QUANTITY OF WHEAT WAS NOT SET FORTH. MIGUEL MIRANDA, CHAIRMAN OF THE NATIONAL ECONOMIC COUNCIL, CONFERRED TODAY WITH PERUVIAN AND PORTUGUESE REPRESENTATIVES.

RP923PES

BUENOS AIRES, DEC. 22-(AP)-TIME MAGAZINE, BANNED FOR THE LAST FIVE MONTHS, WENT ON SALE AGAIN TODAY.

IN FORBIDDING SALE OF THE MAGAZINE LAST JUNE 18, THE ARGENTINE GOVERNMENT GAVE NO EXPLANATION, BUT THE ACTION FOLLOWED TIME'S PUBLICATION OF AN ARTICLE ABOUT THE WIFE OF PRESIDENT JUAN D. PERON. DISTRIBUTORS WERE INFORMED DEC. 3 THAT THE BAN WOULD BE LIFTED.

RP910PES

WASHINGTON,DEC.22-(AP)-A GROUP OF ATOMIC SCIENTISTS AND A MILITARY TEAM OF ADMIRALS AND GENERALS WERE ASSIGNED TODAY TO ORGANIZE AND STAFF THE NEW PROVING GROUND FOR ATOMIC WEAPONS AT ENIWETOK, IN THE FAR PACIFIC.

DR.DAROL (CQ) K.FROMAN OF THE LOS ALAMOS, N.M., ATOMIC LABORATORY, WHERE ATOMIC WEAPONS ARE MADE, WAS APPOINTED SCIENTIFIC DIRECTOR OF THE PROVING GROUND.

THE CIVILIANS WILL BE ASSISTED BY JOINT TASK FORCE SEVEN, COMMANDED BY LT.GEN.JOHN E.HULL, COMMANDING GENERAL OF THE U.S. ARMY, PACIFIC.

THE ATOMIC ENERGY COMMISSION, A CIVILIAN ORGANIZATION, WILL BE RESPONSIBLE FOR THE TESTS AND EXPERIMENTS TO BE PERFORMED AT FACILITIES NOW BEING CONSTRUCTED AT ENIWETOK.

NAVY CAPT.JAMES S.RUSSELL OF THE ATOMIC ENERGY COMMISSION'S DIVISION OF MILITARY APPLICATION WAS ASSIGNED "COMMANDER" OF THE GROUP OF CIVILIAN SCIENTISTS.

30.24- 14423

BUT ATOMIC COMMISSION OFFICIALS SAID THAT WHILE SCIENTISTS WILL REPORT TO THE COMMISSION THROUGH CAPTAIN RUSSELL HE WILL EXERCISE NO MILITARY COMMAND OVER THEM.

DR.FROMAN'S ASSISTANTS ARE DR.ALVIN C.GRAVES, DEPUTY DIRECTOR, AND ROBERT W.HENDERSON AND DR.JOHN C.CLARK, ASSISTANT SCIENTIFIC DIRECTORS. ALL ARE FROM LOS ALAMOS.

GENERAL HULL'S DEPUTIES WILL BE MAJ.GEN.WILLIAM E.KEPNER OF THE AIR FORCE AND REAR ADM.WILLIAM S.PARSONS. BRIG.GEN.CLAUDE B. FERENBAUGH WAS APPOINTED TASK FORCE CHIEF OF STAFF.

THE NAVY UNITS WILL BE UNDER COMMAND OF REAR ADM.FRANCIS C. DENEBRINK AND BRIG.GEN.DAVID A.D.OGDEN WILL COMMAND ARMY FORCES. BRIG.GEN.ROGER M.RAMEY IS IN COMMAND OF AIR FORCE UNITS UNDER THE DIRECTION OF GENERAL KEPNER.

NO HINT HAS BEEN GIVEN OF THE DATE THE EXPERIMENTS AND TESTING WILL START. THEY WILL BE CARRIED OUT UNDER MILITARY SECRECY.

AB709PES

DEC 1947

WASHINGTON,DEC.22-(AP)-THE JUSTICE DEPARTMENT TODAY ORDERED THE RELEASE ON BOND ON MARIA LOUISE DARMANCIER HICKS, 23-YEAR-OLD WIFE OF A U.S.MERCHANT MARINE SEAMAN, WHO ARRIVED IN THIS COUNTRY AS A STOWAWAY ON HER HUSBAND'S SHIP.

THE DEPARTMENT ACTED AFTER SENATOR LANGER (R-ND) INTRODUCED A BILL TO PERMIT MRS.HICKS TO REMAIN HERE.

THE DEPARTMENT SAID THE IMMIGRATION SERVICE AT PHILADELPHIA FORWARDED THE RELEASE ORDER THIS AFTERNOON TO ELLIS ISLAND, WHERE MRS. HICKS HAS BEEN DETAINED SINCE LATE NOVEMBER, DIRECTING THAT SHE BE PAROLED ON $500 BOND PENDING A FINAL DECISION ON HER CASE.

MRS.HICKS IS THE WIFE OF LAVERN A.HICKS OF OAKES, N.D. SHE WAS TAKEN INTO CUSTODY WHEN HICKS' SHIP DOCKED AT PORTLAND, ME., NOV.27. WHEN THE IMMIGRATION SERVICE REFUSED TO ADMIT HERE TO THIS COUNTRY, SHE APPEALED TO THE ATTORNEY GENERAL. THIS APPEAL IS STILL PENDING.

LT441PES

NEW YORK, DEC. 22-(AP)-GENERAL FENG YU-HSIANG, KNOWN AS CHINA'S "CHRISTIAN GENERAL," SAID TODAY THAT HE FELT "HONOR-BOUND TO REFUSE TO RECOGNIZE" CHIANG KAI-SHEK'S PERSONAL ORDER FOR HIM TO RETURN TO HIS HOMELAND DEC. 20. THE GENERAL HAS BEEN CRITICAL OF THE GENERALISSIMO'S ADMINISTRATION.

AT A NEWS CONFERENCE, GEN. FENG ISSUED A STATEMENT IN WHICH HE SAID HE HAD BEEN WARNED THAT "MY OUTSPOKEN CRITICISM OF THE CRIMINAL POLICIES OF CIVIL WAR AND DICTATORSHIP OF THE NANKING GOVERNMENT MAY RESULT IN AN ATTEMPT TO SILENCE ME BY RECALLING ME TO CHINA.

"IF CHIANG'S ORDER IS FOR THAT PURPOSE, I WOULD LIKE TO HAVE IT HONESTLY AND OPENLY STATED."

GEN. FENG SAID THE GENERALISSIMO'S ORDER CONTRADICTED INSTRUCTIONS HE HAD RECEIVED FROM PREMIER CHANG CHUN, CHAIRMAN OF THE EXECUTIVE YUAN OR DEPARTMENT, TO CONTINUE INVESTIGATING U.S.CONSERVATION PROJECTS FOR ANOTHER YEAR.

"SUCH AN ACTION BY AN INDIVIDUAL WHICH CLEARLY VIOLATES ESTABLISHED GOVERNMENT PROCEDURE, IS TYPICAL OF A DICTATORSHIP, AND I FEEL HONOR-BOUND TO REFUSE TO RECOGNIZE IT. I, THEREFORE, AM WAITING FOR FURTHER CLARIFICATION," HE SAID.

THE GENERAL SAID THAT AN ATTACK ON HIM IN CONGRESS BY REP.WALTER JUDD (R-MINN) AND THE ORDER FOR HIS RECALL "HAD A TOO OBVIOUS CONNECTION TO NEED ANY ELABORATION," ADDING THAT JUDD'S LIKENING OF HIM TO FORMER VICE PRESIDENT HENRY WALLACE WAS CONSIDERED BY THE GENERAL "NOT AS AN INSULT BUT AS A GREAT HONOR."

THE GENERAL SAID PEACE COULD BE RESTORED IN CHINA WITHIN FOUR MONTHS AFTER FORMATION OF A COALITION GOVERNMENT REPRESENTING ALL POLITICAL PARTIES.

WD4A8PES

DEC 1947

INVERCHAPEL

(ADVANCE)-WASHINGTON, DEC.22-(AP)-LORD INVERCHAPEL, BRITISH AMBASSADOR TO THE UNITED STATES, DECLARED TODAY THAT CRITICISM OF BRITAIN'S CONTROL SYSTEM IS "ILL-INFORMED."

NOTING SUGGESTIONS THAT CONGRESS SHOULD MAKE THE ABOLITION OF CONTROLS IN EUROPE A CONDITION OF AMERICAN ASSISTANCE UNDER THE MARSHALL PLAN, INVERCHAPEL SAID THERE HAVE BEEN CONTENTIONS THAT THE CONTROLS ARE DUE TO EXPERIMENTS IN SOCIALISM.

"IT IS TRUE THAT HERE AND THERE SOME OF THEM ARE," THE AMBASSADOR ASSERTED IN AN ADDRESS PREPARED FOR DETROIT'S ECONOMIC CLUB, "BUT THE MAIN CONTROLS WHICH WE HAVE TO IMPOSE IN BRITAIN TODAY HAVE NOTHING AT ALL TO DO WITH SOCIALISM.

"CAN ANYONE SERIOUSLY SUGGEST THAT WE SHOULD DO AWAY WITH THE RATIONING OF FOOD AND CLOTHING?" INVERCHAPEL ASKED. "SURELY WE SHOULD RATHER THAN TAKE PRIDE IN THE FACT THAT, IN THE STRAINED CIRCUMSTANCES IN WHICH WE FIND OURSELVES TODAY, WE ARE AT LEAST SHARING THE NECESSITIES OF LIFE ON A FAIR BASIS FOR ALL. X X X

"OUR IMPORT CONTROLS, OUR EXCHANGE CONTROLS, OUR CONTROLS OF RAW MATERIALS ARE ALL IMPOSED UPON US BECAUSE WE HAVE TO RESTRICT OUR IMPORTS TO THE MINIMUM OF FOOD TO KEEP US ALIVE, AND TO THE ESSENTIAL RAW MATERIALS FOR OUR INDUSTRY. IF WE DID NOT DISCIPLINE OURSELVES WE SHOULD QUICKLY GO BANKRUPT.

"THIS WOULD MEAN FIRST THAT OUR INDUSTRY WOULD SLOW DOWN FOR LACK OF RAW MATERIALS. SECONDLY, WE SHOULD GO HUNGRY BECAUSE WE CANNOT GROW ENOUGH FOOD IN OUR ISLANDS. THIRDLY, ALL HOPE OF EUROPEAN, OR INDEED WORLD RECOVERY WOULD FADE, LEAVING YOU A SPECTACLE OF CHAOS AND RUIN ACROSS THE OCEAN, SUCH AS HAS NOT BEEN SEEN FOR 16 CENTURIES."

(END ADVANCE FOR USE AT 1 P.M. EASTERN STANDARD TIME, TODAY, MONDAY DEC. 22)

MD305AES

DEC 1947

NEW YORK, DEC 22-(AP)-THE IMMIGRATION AND NATURALIZATION SERVICE OF THE U.S.DEPARTMENT OF JUSTICE ANNOUNCED TODAY IT WILL CONDUCT A HEARING TOMORROW TO DETERMINE WHETHER NICOLAS KYRIAZIDIS, GREEK NEWSPAPERMAN ACCREDITED TO THE UNITED NATIONS, IS SUBJECT TO DEPORTATION.

THE ANNOUNCEMENT BY W.F.WATKINS, DISTRICT DIRECTOR OF THE SERVICE, SAID KYRIAZIDIS WAS ARRESTED HERE DEC. 17 UNDER AN IMMIGRATION WARRANT CHARGING "HIS BELIEF AND MEMBERSHIP IN AND AFFILIATION WITH AN ORGANIZATION ADVISING, ADVOCATING AND TEACHING THE OVERTHROW BY FORCE AND VIOLENCE OF THE GOVERNMENT OF THE UNITED STATES."

KYRIAZIDIS NOW IS HELD AT ELLIS ISLAND IN DEFAULT OF $5,000 BAIL.

HE WAS ACCREDITED TO THE U.N. AFTER HIS ARRIVAL HERE LAST JUNE AS CORRESPONDENT FOR SEVERAL GREEK NEWSPAPERS, AMONG THEM "RIZOPASTIS," THE OFFICIAL ORGAN OF THE COMMUNIST PARTY IN GREECE, WHICH WAS SUPPRESSED BY GREEK AUTHORITIES OCT. 18.

ALTHOUGH IMMIGRATION AUTHORITIES WOULD NOT BE QUOTED ON THE CASE, IT WAS REPORTED THAT KYRIAZIDIS WAS ARRESTED ON THE ASSUMPTION THAT HE LOST HIS U.N. STATUS WHEN THE NEWSPAPERS HE REPRESENTED WERE SUPPRESSED BY THE GREEK GOVERNMENT.

IMMIGRATION LAWS EXCLUDE ALIEN COMMUNISTS, BUT AN AGREEMENT WITH THE U.N. PROVIDES THAT THE UNITED STATES MUST ALLOW ALL PERSONS ACCREDITED TO THE U.N. TO GO TO THE ORGANIZATION'S HEADQUARTERS, REGARDLESS OF AMERICAN LAWS TO THE CONTRARY.

AT WASHINGTON, THE STATE DEPARTMENT SAID TODAY IT OFFERED NO OBJECTION TO THE MAN'S ARREST AND DETENTION.

PRESS OFFICER REGINALD MITCHELL SAID THE NEWSPAPERMAN GOT PERMISSION TO ENTER THE UNITED STATES BY CONCEALING MEMBERSHIP IN THE COMMUNIST PARTY WHEN HE APPLIED FOR A VISITOR'S VISA IN EUROPE.

AFTER HE ARRIVED IN THE UNITED STATES, MITCHELL SAID, THE STATE DEPARTMENT DISCOVERED HE WAS A COMMUNIST BUT MADE NO MOVE TO EJECT HIM BECAUSE HE HAD IN THE MEANTIME BEEN ACCREDITED BY THE UNITED NATIONS SECRETARIAT.

SINCE TWO NEWSPAPERS HE FORMERLY REPRESENTED HAVE GONE OUT OF BUSINESS, MITCHELL SAID, THE WRITER NOW CLAIMS HE REPRESENTS TWO WEEKLY NEWSPAPERS. THE STATE DEPARTMENT IS INCLINED TO DOUBT THIS, HE SAID, BECAUSE NEITHER OF THE NEWSPAPERS MENTIONED IS WEALTHY ENOUGH TO AFFORD SPECIAL CORRESPONDENTS IN NEW YORK.

A UNITED NATIONS SPOKESMAN AT LAKE SUCCESS SAID KYRIAZIDIS HAD PROTESTED TO THE U.N. AGAINST HIS DETENTION AND THAT U.N. OFFICIALS "NOW ARE IN CONSULTATION WITH THE U.S. MISSION TO THE U.N. ON THE MATTER."

HE DESCRIBED IT AS THE FIRST CASE OF ITS KIND IN U.N. HISTORY. HE SAID HE DID NOT KNOW WHETHER THE U.N. WOULD BE REPRESENTED AT TOMORROW'S HEARING.

THE U.N. SPOKESMAN SAID THAT, AFTER THE NEWSPAPER RIZOPASTIS WAS SUPPRESSED BY GREEK AUTHORITIES, KYRIAZIDIS APPLIED TO THE U.N. OCT.23 FOR ACCREDITATION TO REPRESENT THE CYPRUS WEEKLY NEWSPAPER DEMOCRATIS, PUBLISHED IN NICOSIA, AND THAT IT WAS GRANTED. THIS ACCREDITATION EXPIRES JAN.31, 1948, THE SPOKESMAN SAID.

(3RD LINE READ: XXX THAT U.N. OFFICIALS ETC.)

FH331PES

DEC 1947

U.N. - MILITARY (200)

LAKE SUCCESS, DEC 22-(AP)-THE UNITED STATES HAS AGREED INFORMALLY TO MODIFY ITS ORIGINAL DEMANDS FOR A UNITED NATIONS SECURITY FORCE WITH A MINIMUM OF 20 DIVISIONS, IT WAS LEARNED TODAY.

THE OFFER WAS MADE IN A SUB-COMMITTEE OF THE U.N. MILITARY STAFF COMMITTEE, WHICH HAS BEEN DEADLOCKED FOR MONTHS OVER RUSSIAN DEMANDS FOR A MUCH SMALLER FORCE. IT WAS UNDERSTOOD THAT THE NEW U.S. OFFER FAILED TO BREAK THE DEADLOCK.

ALTHOUGH THE DISCUSSIONS HAVE BEEN HELD IN THE STRICTEST SECRECY, INFORMED QUARTERS SAID THE UNITED STATES HAD OFFERED TO MODIFY ITS ORIGINAL FIGURES AS FOLLOWS:

1. LAND FORCES MIGHT BE FIXED AT 15 DIVISIONS INSTEAD OF 20 DIVISIONS AS AN ABSOLUTE MINIMUM.
2. AIR FORCES COULD BE LIMITED TO 28,000 INSTEAD OF 38,000.
3. A SLIGHT MODIFICATION IN THE MINIMUMS FOR THE NAVAL FORCES, WHICH ORIGINALLY WOULD HAVE INCLUDED SIX CARRIERS AND THREE BATTLESHIPS. NO SPECIFIC FIGURES WERE AVAILABLE ON THE REVISED NAVAL STRENGTH SUGGESTED BY THE U.S.

INFORMED QUARTERS SAID NO PROGRESS HAD BEEN MADE ON THE PRINCIPLE TO BE FOLLOWED IN FIXING THE CONTRIBUTIONS OF INDIVIDUAL NATIONS TO THE U.N. FORCE.

RUSSIA CONTINUED TO INSIST THAT ALL CONTRIBUTIONS SHOULD BE ON THE BASIS OF MAN FOR MAN, PLANE FOR PLANE AND SHIP FOR SHIP. THE UNITED STATES, ON THE OTHER HAND, ARGUED THAT COUNTRIES MIGHT CONTRIBUTE WHAT THEY ARE BEST SUITED TO CONTRIBUTE SO LONG AS THE CONTRIBUTIONS WERE COMPARABLE.

JJ310PES

DEC 1947

LAKE SUCCESS, N.Y., DEC. 22-(AP)-A SPECIAL COMMITTEE OF THE UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL TODAY REJECTED A PROPOSAL FOR A WORLD CHILDREN'S CONGRESS TO PUBLICIZE THE U.N. EMERGENCY CHILDREN'S FUND.

THE PLAN TO BRING CHILDREN FROM THE 57 UNITED NATIONS TO THE UNITED STATES FOR A SERIES OF MEETINGS WAS SUGGESTED BY SECRETARY-GENERAL TRYGVE LIE ALONG WITH SEVERAL OTHER PLANS TO LAUNCH THE CHILDREN'S APPEAL.

RP917PES

-END-

DEC. 22, 1947

30.24- 14425

FRENCH ASSEMBLY APPROVES PLAN TO CUT BUYING POWER

Public Must Buy Quota of Bonds or Pay Equal Amount in Taxes.

SOME EXEMPTIONS VOTED

DEC 1947

150,000 Public Jobholders to Go Under Austerity Program.

NEVIN

PARIS, Dec. 23. — (AP) The National Assembly, approving an important section of the new French "austerity program," tonight enacted a bill requiring Frenchmen to purchase 130,000,000,000 francs ($1,092,000,000) worth of government bonds or pay the same amount in taxes.

The bill is designed to drain off surplus purchasing power.

By a 300 to 268 vote, deputies approved a bill to raise the sum which will be used entirely for reconstruction. The sliding-scale levy will be made against taxpayers with annual incomes over 450,000 francs ($3,780).

Exemptions Granted

Originally the loan was designed to produce 160,000,000,000 francs ($1,340,000,000). Over government objections amendments were approved exempting farmers, large families, small businessmen and persons whose property was damaged in the war.

Under the plans of Finance Minister Rene Mayer [illegible] of the 230,000,000,000 francs [illegible] extraordinary budget [illegible] be covered by aid from the United States.

The assembly then voted, 351 to 199, to authorize the government to issue special three per cent bonds redeemable within 10 years. The opposition came chiefly from the Communists.

The bonds will be issued in three installments—the first series from Jan. 15, 1948, to Feb. 14, 1948. Taxpayers liable to the provisions of the forced loan bill will have the option of purchasing bonds of these issues or paying a tax of an equal amount.

The assembly also approved an amendment eliminating the positions of 150,000 public jobholders. The Communists voted against it. This amendment was offered by former finance minister Rene Pleven who said the present figure of about 1,000,000 civil servants should be reduced to the 1938 level of 750,000. Most of the jobs to be eliminated are in the great nationalized industries like the power network.

Mayer's "austerity program" for France also includes increased taxes on radios, tobacco, alcohol, spices, precious metals and other luxury consumer goods.

Extra Tax on Night Clubs

There will be a special 400,000 franc ($3,300) annual levy on night clubs and no new spots may be opened after Jan. 1.

The bill enacted tonight bore the title of an "exceptional levy in the struggle against inflation."

Supporters of Gen. Charles De Gaulle joined Communists in voting against the bill. The same combination was noted in votes on many amendments despite the fierce antagonism of the two groups.

After adopting the bill the assembly began discussing another dealing with details of the special loan. Tomorrow it is expected to take up the regular 856,000,000,000 franc ($7,193,000,000) budget for 1948.

Before the final vote was taken the central committee of the Communist party distributed the text of a resolution it passed today denouncing the "austerity program" as "a plan of ruin for the working class and the middle classes."

"France," the resolution said, "can only be saved by a new government, authentically democratic, in which the working class and its communist party will finally play a determining role; a government relying resolutely on the people, which will tear our country from the imperialist camp and guide it on the road of rebirth, democracy, national honor and peace."

The vote on the amendment exempting small farmers was 307 to 294. This amendment constituted the third defeat that Premier Robert Schuman's government had met on the loan measure.

Million French Adhere To New Labor Force

DEC 1947

Paris, Dec. 23 (AP)—Representatives of more than 1,000,000 French workmen lined up today to sign up their shops, plants and locals with the Workers' Force, anti-Communist offshoot of the Red-dominated General Confederation of Labor (CGT).

As the overalled procession filed by, Leon Jouhaux, head of the new Workers' Force, predicted the movement would be supported by the majority of the World Federation of Trade Unions.

He indicated a belief he could hold his seat as the French representative on the WFTU executive bureau, a development which would weaken Communist representation in the world trade-union movement and which might lead to a world-wide split.

"We are sure of the sympathy of the British and American trade-union movements and a majority of the WFTU," said Jouhaux, who headed the CGT until the Communists captured control.

"Victory For Labor"

Jouhaux declared the end of the general strike in France recently was actually a victory for French labor. Indicating the group waiting to sign applications for the Workers' Force, Jouhaux declared:

"These are militant workers. We could not let them stay unorganized after the Communist-led strike. They are the ones who smashed that strike. The reactionaries did not do it. The loss of that strike was no victory for reaction. It was a victory for the will to independence of labor."

France Compagnon, one of the leaders at the makeshift headquarters in a grimy Paris loft building, said representatives of 30 new unions had signed in the morning with the Workers' Force.

"They've been booed and whistled at so long, every time they tried to say anything against the Communists in their locals, they just want to come in here and say it."

Vote Exempts Farmers, Snags Paris Tax Plans

Paris, Dec. 23 (AP)—The French National Assembly voted today to free 800,000 farmers from the new stringent taxes on profits, handing the Government its third defeat in 24 hours and balking administration efforts to rush trough its anti-inflation program.

Charles Barange, president of the Assembly Finance Commission, who supported the Government program, said the succession of Government defeats threw "out of the window" 40 per cent of the chances that the program would succeed.

The farm bloc successfully carried an amendment freeing the peasants from the tax after one amendment released certain categories of persons whose property was damaged in the war and a second eliminated a number of small shopkeepers from the profit-tax list.

TWELVE INJURED BY TRIESTE BOMBS

DEC 1947

Tension Mounts During Governorship Negotiations

O'Connor

Rome forecasts nation-wide "land grabs" ..... Page 10

Trieste, Dec. 23 (AP)—Tension mounted today in Trieste after twelve persons were injured in two separate bombing incidents in the past two days. The disorders occurred amid Italian-Yugoslav negotiations over the naming of a candidate for civilian governor of this Free Territory.

Some Allied sources suggested that the Yugoslavs probably were ready to accept an Italian or a western power candidate to hasten the evacuation of 10,000 United States and British troops now occupying a portion of the Trieste area. These informants added, however, that the western powers probably could not be jockeyed into a position of suggesting an acceptable candidate at this time.

Zone Communized

Yugoslav units which also garrison a part of the Free Territory at the head of the Adriatic Sea were said by one high Allied official to have already communized their occupation zone.

The Committee of National Liberation for Istria (pro-Yugoslav) announced it had sent a message to the Italian Cabinet urging Italians to get together with the Yugoslavs for an early selection of a governor.

Other pro-Italians promptly disassociated themselves from the liberation committee statement. One pro-Italian newspaper declined to print the statement for fear it would create the impression that Italians in Trieste were backing the move for the immediate selection of a civilian governor.

January 5 Date Set

The United Nations Security Council, unable itself to agree on a nominee, decided on December 18 to ask Italy and Yugoslavia to consult on the governorship question and to submit the name of a joint candidate by January 5, if possible. There is little expectation here, however, that the current negotiations will produce a candidate by that deadline.

The Communist press has charged that the Allied (British-American) military government has been unable to halt the disorders here or arrest perpetrators of the bombings.

One civilian policeman and two women were injured yesterday when a bomb was thrown at a three-man patrol of Venezia Giulia police in a downtown street.

In an earlier attack nine persons, including four Slavs, were injured when four grenades were tossed at persons leaving a Communist club.

Police said two persons had been apprehended and were being held for questioning.

Grenades were tossed at Communist clubs in two previous incidents this month but no one was injured.

Several Allied officers, who declined to be quoted by name, suggested the grenade tossings may have been engineered by the Communists themselves to intensify the unrest here and to enlist support for Communist demands for the immediate appointment of a civilian governor.

Wants To Begin Trade

A Communist spokesman said the Communist-led Union of Anti-Fascist Italians and Slovenes (UAIS) wanted a governor named so the Free Territory could become a reality and "begin trade with all countries including Italy, Yugoslavia, the United States and others."

Two prominent Slav lawyers, Giuseppe Angello and Francesco Vesel, announced the formation of a Slav democratic union to oppose the UAIS. They said the new group would enlist Slavs opposed to Premier Marshal Tito of Yugoslavia and would combat communism.

Opposition groups estimated the strength of the Communist political bloc at about 45 per cent of the electorate at present. But the bloc is tightly knit and is campaigning continuously to pick up more strength for the election which will be held after a civilian governor takes office.

Taken From Italy

The Trieste region was taken from Italy under terms of the peace treaty. Yugoslavia, which was given some former Italian territory, also wanted the Trieste area.

Under the treaty's terms an election for a constituent assembly must be held within four months after a civilian governor takes office. The treaty also calls for the withdrawal of occupation forces within four months and two weeks after that date unless the governor decides otherwise.

DEC 1947

'Land Grabs' Forecast In Italy

Rome, Dec. 23 (AP)—Nation-wide attempts at "land grabs" by Communist-organized peasants demanding expropriation of big estates were forecast today as the result of the decisions of a "land constituent" assembly at Bologna.

The Communist newspaper *L'Unita* and the allied Socialist newspaper *Avanti* said 6,000 representatives of farm workers meeting at Bologna had approved creation of a "land front" to agitate for immediate and drastic land "reforms."

"Land committees" in every village in Italy were ordered set up to act as executive organs in a fight against "extension of land holdings" and for "expropriation of surplus properties."

Scattered Instances

The Bologna land assembly was boycotted by Government parties, and it rejected Government proposals to await legislation on land reforms, apparently indicating the Leftist-led peasants will attempt to take redistribution of land into their own hands.

Already there have been scattered instances in Italy's recent weeks of Leftist-inspired turmoil of peasants attempting to occupy lands.

The organization of the "land front" apparently was to balance the earlier creation of a high command in the Communist-dominated labor front to battle for workers' "councils of management" in all factories.

The program for these councils calls for their participation in dis-

posal of profits and "in hiring, firing, purchasing and production."

Economic Reform Drive

Both Communist and pro-Communist Socialist leaders have declared the workers' council program the heart of the drive for "reform of Italy's economic structure."

The Bologna meeting also called for councils of management on large estates which are farmed by sharecroppers to agitate for the same share in management as the factory committees.

Pietro Nenni, leader of the pro-Communist wing of the Socialist party, declared in *Avanti* Sunday that "these organisms are destined to assume a function of auto-government to substitute an initiative from below for the initiative lacking from above."

General Strike At Cremona

A general strike was called today in Cremona, a Po Valley city of 64,000, as a protest against a bomb explosion which damaged a Communist party office there Saturday night.

Meanwhile, Enrico de Nicola, who last night was proclaimed first president of the Italian Republic instead of provisional president, formally received the completed text of the new constitution from a delegation from the Constituent Assembly after its seventeen months' work.

Rome, Wednesday, Dec. 24 (AP)—The news agency Ansa said today the Interior Ministry learned last night the Cathedral of Favara in the province of Agrigento, Sicily, had been badly damaged by unidentified attackers who detonated explosives against its walls.

Italian Leftists Mass Peasant 'Land Front'

DEC 1947

Rome, Dec. 23 (AP)—The Leftist press announced today formation of a "land front" of agricultural workers throughout Italy to lead the peasants in demands upon the Government.

A high command already has been established on the Communist-dominated industrial labor front, with a parallel purpose.

The Communist newspaper *L'Unita* and its allied Left-wing Socialist newspaper *Avanti* said a "land constituent" of some 6,000 representatives of agricultural workers, meeting Sunday at Bologna, had ordered committees set up in every village to spearhead a drive for "expropriation of surplus properties" and against "extension of land holdings."

Democrats Consolidate

Pietro Nenni, pro-Communist Socialist leader, announced in *Avanti* Sunday that the meeting in Bologna and a congress in Milan on management councils for factories were steps to circumvent the Christian Democratic Government solid parliamentary position.

Premier Alcide de Gasperi's Christian Democrats have consolidated with two small moderate Leftist parties, the Labor Socialists and the Republicans, further solidifying the Premier's majority in the Assembly. All three parties boycotted the "land constituent" at Bologna.

Strike In Cremona

Press dispatches reported a general strike in the Po Valley industrial town of Cremona in protest against a bomb explosion which had damaged Communist headquarters Saturday night.

The strike in Cremona, which has a population of about 64,000, followed ten days of labor disturbances in Sicily, where demands for unemployment relief and winter labor benefits produced general strikes at Palermo, Messina, Catania, Canicatti, Caltanisetta, Argentio and Gela. Only the strike at Gela remained in progress today.

Three of the fifteen persons wounded in rioting at Canicatti Sunday died yesterday, bringing to 26 the toll of fatalities in Leftist-led disorders in Italy since early December.

Yugoslavs Capture 30 Boats, Ansa Says

Rome, Dec. 23 (AP)—The Italian News agency Ansa reported from Bari today that some 30 Italian motor fishing boats which put to sea recently from southern Adriatic ports had been captured by the Yugoslavs.

The dispatch quoted crewmen of the one boat that returned to port. It said the boats had crews totaling 160 men and were carrying big catches of fish.

ITALIAN SHIP SEIZURES BY YUGOSLAVS REPORTED

ROME, Dec. 23—(AP) Press dispatches from Bari reported today that Yugoslavs had captured about 30 Italian motor fishing boats, and said there was great agitation among the Italians of Apulia because of this "demonstration of force."

The newspaper Momento-Sera said the people intended to ask the government "to put an end to a situation fatal to the future economy of the region."

The newspaper said the news of the capture was learned from the crew of one boat that escaped. The crew said 30 boats from the fishing fleets of Bari, Mola, Barletta and Molfetta were stopped off the island of Pelagosa by four Yugoslav warships. Guns were trained upon them and the 160 fishermen and their "big catches" were carried off, the crew said.

Crewmen of another boat which escaped, returned to Molfetta and said the fishermen were accused of violating Yugoslav territorial waters. Pelagosa was ceded to Yugoslavia under terms of the peace treaty.

British Communists To Enter By-Election

London, Dec. 23 (AP)—The Communist party announced today it will enter the forthcoming parliamentary byelection at Wigan as the first step in a campaign seeking to force the British Labor Government farther to the Left.

Decision to enter a candidate, a spokesman at Communist headquarters declared, was taken to "present the lead for a real Labor Government based on forces of the Left."

The date for the by-election, in the heart of the Lancashire textile district, has not been set.

The Communists have not entered a by-election since Labor rose to power in 1945, nor did they run in the Wigan constituency in the 1945 general election when the late William Foster, Labor candidate, defeated his Conservative opponent.

The Communists have only two members in the House of Commons, and both usually vote with the Socialist majority.

Russia To Open Zone For Inspection

Berlin, Dec. 23 (AP)—The Russians will open their zone of Germany January 2 for an inter-Allied commission to inspect progress in liquidation of prime German war plants, it was announced here today.

Simultaneously, similar teams will visit each of the other three zones of Germany, occupied by the western Allies, each team to inspect nine plants.

These inspection teams were organized after charges had been exchanged between the occupying powers that war materials were still being produced in German factories.

Third In Series

The inspection trip will be the third in a series begun one year ago. It deals with category one war plants—those especially construced for production of war materials. Their liquidation must be completed by next June 30, under an agreement of the Big Four Foreign Ministers.

The American Military Government reported that of the United States zone's total of 130 category one war plants, certificates of liquidation have been submitted on 90 and liquidation work is in progress on the remainder.

New U.S. Director At Spandau Prison

Berlin, Dec. 23 (AP)—The United States Military Government today announced a change of personnel at Spandau Prison, where the four occupation powers keep watch over Rudolph Hess and seven other major German war criminals.

Major Maxwell Miller, 53, experienced penologist of Atlanta, Ga., was named United States director, effective January 1. He succeeds Henry Frank, Forest Hills, New York city, who is returning home. Miller has worked in Federal prisons at Atlanta and Leavenworth, Kan., and at a prisoner-of-war camp at Fort Benjamin Harrison in Indiana.

Rudolph Klinker, 35, Portland (Ore.) lumberman and electrician, was named new chief warden, a post which Frank had also filled.

Bizonal Parley Slated Jan. 7

DEC 1947

Frankfurt, Dec. 23 (AP)—A conference between the United States and British military governors of Germany and the German political leaders of the American and British zones will be held in Frankfurt January 7, it was learned today.

Conferring with United States Gen. Lucius D. Clay and the British Gen. Sir Brian Robertson will be minister-presidents of the bizonal states and leaders of the Bizonal Economic Council.

Clay said in Berlin yesterday that he and Robertson would meet shortly after the Christmas holidays to discuss measures for strengthening the bizonal setup.

He listed currency revision, banking, goods exchange and the question of a foreign exchange value for the mark as urgent subjects for discussion.

U. S. Army Entertains 1,000,000 German Children

Frankfurt, Germany, Dec. 23 (A. P.).—The United States Army said today it had entertained nearly 1,000,000 German children at Christmas parties.

Army Bans Nudes From Reich Clubs

Munich, Dec. 23 (AP)—Shows featuring nude dancers, staged privately for the last six months in officers' and enlisted men's clubs in the Munich area, have been banned by the United States Army authorities, the army newspaper *Stars and Stripes* reported today.

"Girls in the shows, mostly former dancers, changed to the striptease profession because the black-market rate charged for performances of this type allowed much higher pay than the girls received for legal performances booked through the (military) post," the newspaper said.

Austria Deadlock Continues

Vienna, Dec. 23 (AP)—The Allied Council for Austria wound up its business for 1947 today with no agreement on any item of the agenda and the usual 3-to-1 deadlock on all major issues between the three Western powers and the Soviet Union.

GREEK ARMY PUTS NEWS MEN IN DOCK

DEC 1947

Ignores Premier's Order Not to Question Liberal Critics of Release of Rightists

ATHENS, Dec. 23 (AP)—Contrary to Premier Themistocles Sophoulis' orders, the publisher and editor of the Liberal party newspaper, Vima, were brought before an army court martial and questioned for more than an hour today.

Earlier in the day Mr. Sophoulis ordered the Ministry of War to stop questioning newspaper men who had criticized the military's release without trial of six Rightists who had been arrested for carrying arms and making unauthorized investigations.

The Vima executives denied charges of creating unrest and shaking confidence in the armed forces. In a statement they said: "We repudiated the charge because we consider what we wrote was fair comment within the provisions of the law and as an obligation of ours as instruments of public opinion."

The editor, George Syriotis, said his newspaper would print tomorrow statements made by Mr. Sophoulis and Vice Premier Constantin Tsaldaris criticizing the army's action in imposing a censorship against publication of any reference to the arrest of the Rightists or the subsequent questioning of newspaper men.

Telephoned Order Received

One afternoon paper published the details, even though it had received a telephoned message ordering it not to. The paper said it was not accustomed to censorship by telephone and demanded that the military present a written order.

The publisher and editor of Eletheria, Independent Liberal newspaper, were summoned before the court-martial yesterday, and the editor of Ethnos, Conservative paper, had been directed to appear today.

Mr. Sophoulis, who heads a coalition made up of Liberals and Populists, ordered the army to stop questioning the newspaper men after he had conferred with Mr. Tsaldaris.

Constantin Rentis, Liberal Minister of Public Order, previously had criticized the army action, declaring that the law should be applied equally to Rightists and Leftists.

George Stratos, a Populist, is Minister of War.

A high Government official said the army's interrogation proceedings was deplored because it would create a bad impression abroad.

Thirty-five guerrillas were reported today to have been killed in three actions.

Other dispatches said 108 guerrillas surrendered at Karpenissi yesterday and 3d Army headquarters announced the surrender of 45 more in the past 48 hours.

Greek Army Told To Spare Critics

Athens, Dec. 23 (AP)—Premier Themistokles Sophoulis ordered today an immediate suspension by the Army of court-martial questioning of newspaper men who had criticized the Army for releasing a half dozen extreme Rightists.

The Premier told Minister of War George Stratos to have the questioning ended forthwith, declaring:

"Such activities, without serving justice or any useful purpose, seri-

ously compromise the reputation of our country in international public opinion."

Censorship Ordered

The Athens military commander, Major General Goulas, had placed Athens newspapers under censorship to prevent them from reporting the court-martial questioning of publishing executives.

Goulas had ordered the publishers and editors of three newspapers to appear before the court in connection with their criticism of the army action in releasing six civilian members of Xites, an extreme Rightist group, who had been charged with unlawfully conducting investigations.

Sophoulis and Vice Premier Constantin Tsaldaris were said to have conferred last night and expressed indignation at the development.

The army action in releasing the Xites was challenged by the Minister of Public Order, Constantine Rentis, who said the laws should be applied equally to the Right and Left extremists.

U.S. Troops Go From Italy To Reich: Russ

DEC 1947

Moscow, Dec. 23 (AP)—Russian press dispatches intimated today that the United States was transferring troops from Italy to duty in the American zones of Austria and Germany.

[It is no secret that some officers and men in the Mediterranean theater of operations were transferred to other European assignments before the occupation of Italy ended December 14. Various dispatches from Italy during the fall told of the movement.]

A Tass dispatch from Vienna said that, according to reports from Salzburg, a "considerable increase" had been observed in United States forces in the American zone in Austria.

Cites French Reports

"Among the population," the dispatch said, "there exists the opinion—reinforced by recent reports in French newspapers—that the United States is transferring troops to Austria and Germany after withdrawing them from Italy.

"There are also a large number of officers in Salzburg who have arrived as 'visitors' from Bavaria. In private conversations they say their units are being transferred there from Italy.

"Recently numerous American service men have been appearing in the streets of Salzburg wearing division insignia unknown in Austria. These men are chiefly officers."

Troops Home From Italy

Camp Kilmer, N.J., Dec. 23 (AP). Army authorities were speeding the processing today of some 1,300 soldiers, the last United States occupation troops from Italy, in an effort to permit them to get to their homes by Christmas.

The troops arrived here last night after a nine-day crossing from Leghorn aboard the army transport Admiral Sims. Army crews worked through the night to speed as many men to their homes for the holidays as possible.

An Army spokesman said those eligible for discharge would be released as rapidly as is practicable, and others will be granted leaves or passes so that they can spend the holidays with their families.

Maj. Gen. Lawrence C. Jaynes, of Portsmouth, Ohio, who was commanding general of the Mediterranean Theater of Operations, announced that all efforts were being made to get the soldiers home for Christmas.

Frankfurt, Dec. 23 (A. P.).—The United States Army tonight denied Russian press implications that American troop strength in Germany and Austria was being increased by transfer of officers and men from Italy.

"There has been no secret about the fact that several thousand troops have been moved out of Italy during the past two months," said a spokesman for Lieut.-Gen. Clarence R. Huebner, troop commander in Europe. "But that doesn't mean the numbers in Germany or Austria have increased. Officers and men in Italy who still had to complete their overseas tour of duty were sent to Germany and Austria as replacements for men who had gone home. These replacements would otherwise have come from the United States."

Jan. 7 Celebration Spirit Grips Moscow

Moscow, Dec. 23 (AP)—The holiday spirit pervaded Moscow today as its residents began preparing for the annual New Year's celebration—which is a sort of combination of Christmas and New Year's as it is known in the western countries.

Because of differences in the Russian church calendar, Christmas religious observances are held here on January 7. New Year's eve and New Year's day are the occasion for widespread celebrations, however, when gifts are exchanged and trees are decorated with tinsel and lights.

Grandfather Frost—a sort of Santa Claus in a white suit and a long beard—is the man of the hour on New Year's.

Thousands of trees went on sale all over Moscow last night and restaurants began taking reservations for New Year's eve parties.

The foreign colony will observe Christmas as usual on December 25 with religious services and private parties.

Russ-Norwegian Pact Reached On Trade

Moscow, Dec. 23 (AP)—A Norwegian trade delegation departed for home today after negotiations here which a Russian announcement said had resulted in an agreement for a "mutual exchange of goods" in 1948.

The announcement said agreement also had been reached in principle on a long-time trade pact and that details would be worked out at a later date.

Russia previously had signed a five-year trade agreement with Czechoslovakia and had reached a short-term agreement with Britain.

The Russian press also announced a joint Norwegian-Russian border commission had completed the task of delineating the frontier between the two countries "in a spirit of mutual understanding and consent."

U. S. Envoy Back in Moscow.

Moscow, Dec. 23 (A. P.)—United States Ambassador Walter Bedell Smith returned by air today from London, where he had attended the conference of the Big Four Council of Foreign Ministers

wrest the initiative from the Communists.]

The swift rush of the Communists caused a sobering of Government opinion in Peiping, which had expected a lull in the northeast because of Manchuria's cold winters. Some observers were saying: "If Mukden is lost, North China will fall and then Nanking."

Others expressed the belief that the Communist objective is to isolate, not to try to capture, the sprawling city.

Chinese press dispatches reported the heaviest attack was near Sinmin, gateway city thirty-five miles northwest of Mukden. The newspaper Ta Kang Pao in a Mukden dispatch predicted both sides would "greet the New Year with the heaviest gunfire heard in many months" at Sinmin.

Proceeding clockwise around Mukden in a great arc, this is how press accounts picture the battle:

A second heavy attack came at Faku, forty-five miles north of Mukden. Farther north the Communists were gathering near Kungchuling, which is thirty-five miles southwest of Changchun, the capital.

Other Communists were battling around Fushun, coal center twenty miles east of Mukden, which helps supply power for the city.

The Communists captured Haicheng, seventy-five miles southwest of Mukden on the Mukden-Dairen Railway, which connects the city with Yingkow. The southern port of Yingkow only recently emerged from a long siege.

Severe fighting raged west of Chinhsien, which is on the Peiping-Mukden Railway about half-way between the Great Wall and Mukden. South of the Great Wall the railway was damaged at several points, halting traffic.

This railway recently was reopened all the way to Peiping. Now it appears to be open only from Mukden as far south as the Manchurian port of Hulutao. The fighting near Chinhsien may be close enough to check the movement of trains even on this stretch.

Chinese Communists Attack Mukden From Four Sides

By The Associated Press.

PEIPING, Dec. 23—All gateways to Mukden were under attack today in the Communists' seventh Manchurian offensive. One of the two railroads to the south was cut and fighting along the other may have left it useless.

Other attacks rolled on from the north, east and west. Guerrillas sweeping across the snowfields also staged harassing raids only eleven miles south of the city.

[Generalissimo Chiang Kai-shek conferred in Nanking with military leaders on means to

By all accounts reaching Peiping, the plight of the citizens of Mukden again is grim. Prices are skyrocketing, there were seven suicides in one day, and a wave of robberies swept the city, said reports carried by all newspapers in Peiping.

Chiang Confers With Aides As Reds Gain

DEC 1947

Peiping, Dec. 23 (AP)—Generalissimo Chiang Kai-shek summoned military leaders to a conference today as Chinese Communists hammered at gateway cities surrounding Mukden, the major Government base in southern Manchuria.

The meeting at Nanking headquarters was intended to devise a means of recovering the initiative in Manchuria, where the Reds' seventh offensive was in full swing. Chinese correspondents said the Communist onslaught was nearing "its most crucial stage."

Haicheng Captured

Pro-Government dispatches reaching here told of the loss of Haicheng, 75 miles southwest of Mukden on the railroad to Dairen. The main Communist attack appeared to be centered 35 miles west of Mukden, at the town of Sinmin. The newspaper *Ta Kung Pao* said both sides at Sinmin "will greet the new year with the heaviest gunfire heard in many months."

Offensives were also under way against Faku, 45 miles north of Mukden, and around Fushun, 20 miles to the east, source of power for the Mukden area.

Communists were also said to be gathering along the Mukden-Changchun railroad around Kungchuling, 35 miles southwest of Changchun, Manchuria's capital.

Guerrillas Infiltrate

Guerrilla bands were reported to have infiltrated to within 11 miles of Mukden, which was isolated except by air. Peiping newspapers carried a report that prices had skyrocketed in Mukden and that a wave of robberies had taken place.

Severe fighting was reported west of Chinhsien, midway between Mukden and the Great Wall on the Peiping-Mukden railway. South of the Great Wall, Reds damaged the railway at several points, tying up traffic between Tientsin and Shanhaikwan.

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Japan Tax Collections Lag Badly

DEC 1947

Tokyo, Dec. 23 (AP)—An Allied Headquarters official said today that Japanese thus far this fiscal year have paid only one quarter of their taxes, and that they face fines or prison terms unless they pay by the end of the next month.

Henry Shavell, Washington headquarters taxation adviser, blamed "tax maladministration" by officials, a "low standard of taxpayer compliance," and "sabotage" by collectors.

He said only 32 billion yen ($640,000,000) of the 133 billion yen ($2,660,000,000) tax revenue set up in the current budget have been collected.

Informers Assisting

Shavell said most delinquencies are in income taxes.

It is difficult to force black marketeers—probably the richest men in Japan today—to pay income taxes, he added, but "informers" are assisting the Government.

Under Japanese law, persons who inform against tax evaders are rewarded when the tax is collected.

Prince Developing Nicely, Japan Told

Tokyo, Dec. 23 (AP)—Crown Prince Akihito, the husky schoolboy being trained for the throne of Japan, was up at dawn today to start his fourteenth birthday with a stiff bit of calisthenics.

The Tokyo press told Japan's 80,000,000 people that the Prince is developing "magnificently, both physically and spiritually."

Akihito was born on December 23, 1933, and, by western count, became 14 today. In Japan, however, the day is considered merely as a birthday, with no numerical designation. For January 1 each year is the day on which everyone in Japan adds a year to his age. So Akihito, being by Japanese custom 1 year old the day he was born, will be considered 16 next January 1.

After the exercise period, Akihito spent 40 minutes on his studies. By 7.30, he was on his way with his classmates to breakfast.

It was a typical class day, including instruction in English for all students by Akihito's tutor, Mrs. Elizabeth Grey Vining, of Philadelphia. She also gives the Prince private lessons.

Lindbergh Flying To Orient

Honolulu, Dec. 23 (AP)—Charles A. Lindbergh passed through Honolulu yesterday en route to the Orient aboard a Pan American plane. Honolulu residents who talked with him during his three-hour stopover said he was uncommunicative about his mission.

LINDBERG IN ORIENT

MANILA, (Wednesday), Dec. 24—(AP) Charles A. Lindbergh passed through Manila aboard a Pan-American Airways plane this morning, en route to Hong Kong. He would not discuss the nature of his trip and asked local photographers and reporters to withhold mention of his arrival and departure.

Jewish Refugee Ship Is Seized Near Haifa

DEC 1947 DAVIDSON

Jews ask British to step up immigration into Palestine and to expel armed Arab bands. [Page 2.]

Jerusalem, Dec. 23 (AP)—British Tommies fought today against Arabs who attacked highway traffic north of Jerusalem, and Arab bullets raked a Jewish funeral procession on the sacred Mount of the Ascension.

A green-turbaned Arab in a green slipover sweater led the highway attackers in a wild exchange of fire with a British convoy, army sources said. The convoy blasted hillsides above Bab el Wad, from which attackers' bullets wounded a Swedish journalist and eight Jews this morning.

[The wounded Swede was identified in Stockholm as Harald Haag, an artist assigned to Palestine by a news agency a week ago.]

Gunfight In Jerusalem

Two Arabs were wounded in a gunfight with machine gunners of Hagana, the Jewish militia, in the old city of Jerusalem. Two Hagana fighters were reported arrested, Arab sources said a large contingent of volunteer Arab fighters entered the old city just after dusk.

Refugees Intercepted

At Haifa, meanwhile, British forces brought to port a two-masted refugee schooner carrying about 850 visaless Jewish immigrants.

The British transport Ocean Vigor sailed for Cyprus late today with the immigrants from an intercepted refugee ship. Sick passengers and their relatives, 26 in all, remained in Palestine.

Passengers said the vessel had been at sea thirteen days. Troops of the 6th Airborne Division transferred the immigrants to the British vessel.

Arab casualties were unknown in the highway duel, in which one British officer was wounded. Army sources said the convoy raked the attackers' position with 10,000 rounds.

Ben-Gurion Reported There

David Ben-Gurion, chairman of the Jewish Agency Executive, was reported to have been a passenger in one of the convoy cars under attack.

The funeral procession on the Mount of the Ascension for Robert Clive Stern, English-born Jewish journalist who was killed Sunday by Arab bullets, was marked by an attack of snipers, some situated on the Mount of Olives. Many cars turned back under the fire as the procession neared the Jewish cemetery, hard by an Arab village.

Arabs Attack Trains

Arab bands roamed the countryside, attacking freight trains as well as road traffic. Arabs seized a five-car cargo of cement in one attack last night. A second freight train was held up this morning, but officials said the attackers left empty-handed.

A battle between the Jews of Bat Yam, just south of Jaffa, and the Arabs, of the village of Jabalieh, continued through its second day. Five Jews were killed in the fighting. Arab casualties were not known.

Toll Reaches 310

The deaths increased to 310 the total of known dead in the Holy Land since the announcement that Palestine would be partitioned.

In the old city of Jerusalem a battle broke out between members of Hagana, the Jewish militia, stationed atop a synagogue, and Arabs hiding along a wall near David's Tower. Two Arabs were wounded and two Hagana men were arrested. An Arab source said a large contingent of Arab fighters moved into the old city.

Traffic inside Palestine was at a virtual standstill as Arabs and Jews took potshots at each other in villages and along the highways.

With the wounded Swedish newspaper man was Associated Press Correspondent James M. Long, who narrowly escaped being hit when Arab snipers raked highways leading into Jerusalem from the north.

Today also 303 Jewish refugee children arrived here from internment in Cyprus to enter the "promised land" under a special children's quota authorized by the British.

Taken To Camp

The children were taken to a camp near Haifa for processing. They are to be cared for by the Jewish Agency.

Jews aboard the refugee ship said they came mostly from Romania and Hungary. Among them were about 150 children, including two babies born during the voyage.

One refugee said the vessel encountered a severe storm the sixth day of the voyage and many passengers became ill. Britons who boarded the ship said conditions below deck were "absolutely filthy."

The port of embarkation was not announced, but Jewish sources said they believed the ship came from France.

Correspondent Detained

An American correspondent identified as Meyer Levin was taken off and detained, along with two other men and a woman. Police said the latter were French motion-picture workers.

An official statement said that the refugee ship, named Al Tafchiduni (You Can't Frighten Us) by the Jews, had been intercepted when it entered Palestine waters about 90 miles southwest of Haifa. The ship was flying the Zionist flag.

"The boarding was completed by a marine squad without opposition," the statement added. "The only casualty was a British sailor who fractured his hip when he slipped and fell during the operation."

AP Man Describes Attack

Meantime, about 200 Jews aboard the passenger ship Transylvania, bound from Romania to France, Cuba and other countries, wtre refused permission to land at Haifa to visit friends and relatives.

Long, the Associated Press correspondent, telephoned from Lydda airdrome that a party of passengers—of which he was one—had made two attempts to reach Jerusalem, but were attacked both times as they entered the Judean Hills. The first time there were no casualties, but an hour later the party tried again and the Swedish journalist was hit in the arm and leg as bullets peppered the car.

The wounded man suffered considerable loss of blood before an armored car passed and took him to a hospital at Sarafand. Long and the other passengers, who had lain in ditches for half an hour to escape the hail of bullets from craggy hillsides halfway between Lydda and Jerusalem, returned to Lydda, where arrangements were made to pick them up in armored cars.

Captured Vessel Identified As One Sailing From Italy

DEC 1947

Rome, Dec. 23 (AP)—The two-masted wooden schooner which arrived today in Haifa under British escort sailed from Italy with 875 uncertified Jewish immigrants December 11, quietly and unnamed.

The name "Unafraid" was given it by the passengers when out at sea, as is customary in such sailings. (An official statement issued in Haifa translated the name, *Al Tafchiduni*, as "You Can't Frighten Us.")

Announcement by British authorities that Meyer Levin, an American newsman, had been taken into custody revealed that the ship was the one which sailed from a point not far north of Rome.

Taken Blindfolded To Ship

Walter Green, Associated Press photographer, was taken in the dark of night—part of the time blindfolded — to photograph the ship and its passengers before the sailing. He talked to Levin shortly before boarding the ship.

Green said the automobile ride to the scene of the sailing required little more than an hour, the last part of it through farmland lanes. The driver was a member of Hagana, the Jewish underground militia agency.

At the sailing scene — where many of the immigrants had already arrived in luxury Italian busses—other Hagana men were in charge. They had come here from Palestine, it was said, expressly to supervise the sailing.

Sails Before Dawn

During the night, other big busses arrived and unloaded. The busses—fifteen in all—came from different directions. The ship sailed shortly before dawn.

From a battered pillbox which could have been Italian or German, a quarter-inch cable stretched out into the dark sea and to the schooner's anchorage.

Surplus United States army rubber rafts took the passengers along this cable to the schooner. Hagana men did the piloting and pushing.

Green said he was permitted to work freely, and take pictures of all phases of the loading.

ARABS SHOOT AT FUNERAL

Jewish Mourners Hide Behind Wall On Mount Of Olives

GOLDWIN

Jerusalem, Dec. 23 (AP) — Arab bullets whistled through an ancient cemetery on the Mount of Olives today forcing members of a Jewish funeral procession to dive for cover and then to make their way to safety behind protective fire from police.

Arab sharpshooters, in this and other attacks, virtually paralyzed highway traffic in food-short Palestine, and twice raided freight trains.

A Swedish journalist and eight Jews were wounded when a road convoy was raked with fire near Bad el Wad on the road from Lydda airfield to Jerusalem. James L. Long, Associated Press correspondent, was a passenger in this convoy which twice tried to get to Jerusalem and had to turn back. Long, who narrowly escaped being hit during the fighting, still was isolated at Lydda tonight.

Identified As Artist

The Swede, identified at Harold Hagg, had arrived in Palestine last night. He was removed to a military hospital at Bir Yaakov where attendants said his condition was "dangerous." (A Stockholm dispatch identified him as an artist assigned to Palestine by a news agency a week ago).

In all, the Arabs made four attacks on convoys speeding along the Jerusalem-Jaffa road. British troops swung into action to break the Arab siege of the highway. The Arabs were said to be led by a man wearing a green sweater and a green stocking cap.

Communal fighting flared again in the old walled city of Jerusalem, usually the scene this time of year of Christmas celebration preparations.

Stern's Funeral Target

The funerals disturbed by Arab firing were for Robert Clive Stern, British-born Jewish employé of the Public Information Office who was shot in a Jerusalem street, and a Jewish major of the Trans-Jordan Frontier Force who died of appendicitis. Stern formerly served in London as an assistant correspondent for the Chicago *Tribune*.

As bullets sprayed the cemetery mourners crouched behind walls and even floral wreaths. Police opened up with Bren guns and rifles against the Arabs who were deployed on the Mount of Olives and the sacred Mount of Ascension.

Under this covering fire the mourners slipped out of the burial ground above Jerusalem's sealed golden gates as Arab children along the route back to the city made throat-cutting gestures with their fingers.

Bat Yam Fight Continues

Two Jews were killed when Jews in Bat Yam and Arab warriors in Jabalieh continued their bloody struggle, and one Arab was wounded fatally in a sniping duel in Jerusalem's old city. This brought to 307 the unofficial death toll since the United Nations voted for partition November 29.

A deputy district commissioner appealed to community leaders for a "truce" in the Bat Yam sector south of Jaffa where five Jews have been killed in two days. Arab casualties there are unknown.

At Haifa, in the north, the British transport Ocean Vigour sailed for Cyprus with approximately 850 uncertified Jewish immigrants whose 350-ton schooner was intercepted last night while trying to run the Holy Land blockade.

As two British destroyers brought the crowded vessel into Haifa, red bereted troops of the 6th Airborne Division established a heavy security guard around the docks.

From Romania And Hungary

The refugees said they had come mostly from Romania and Hungary. There were about 150 children aboard and two babies were born during the 13-day voyage from Italy.

Twenty-six of the passengers, the ill and their relatives, were allowed to remain in Palestine. The schooner, named the Unafraid by the refugees, was the first to try to slip a group of visa-less Jews into the Holy Land since partition was voted.

It was announced that four foreign correspondents were aboard the vessel. Jewish sources said these included a newsreel team led by Meyer Levin, an American correspondent who worked with the

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Overseas News Agency during the war and recently has been making Palestine motion pictures. Levin is believed to be a native of Chicago.

David Ben-Gurion, chairman of the Jewish Agency Executive, was in one of the convoys shot up by the Arabs on the Jerusalem-Jaffa road. He was uninjured.

Jewish newspapers said General Sir Alan Cunningham, Palestine high commissioner, had to halt on the highway while British troops cleared out Arab fighters. A Government spokesman, however, denied that the high commissioner's car was near the scene of the attacks.

In Jerusalem a snipers' battle broke out in the old city between a Hagana post atop a synagogue and Arabs crouched along the crest of a wall near David's Tower. Two Arabs were wounded and two members of Hagana were arrested by police who made it a three-way fight.

Report Fighters Moving In

Arab sources said a "large" contingent of Arab fighters moved into the old city tonight.

Tel Aviv officials said a Palestine Jewish security fund of $2,000,000 had been oversubscribed by twenty per cent and "donations were continuing." Arabs also have been building up their war chests.

A threatened cholera epidemic in Syria could hamper the Arab campaign against partition, Iraq, which last night closed its Syrian frontier as a health measure, offered money and serum to Syria today. A Syrian Government communiqué reported two more deaths from the disease.

Remove Armed Arab Bands, Jews Ask

DEC 1947

London, Dec. 23 (AP)—Jewish leaders urged Britain today to step up Jewish immigration into Palestine immediately and to withdraw armed Arab formations from areas in the Holy Land which will make up the new Jewish state.

Both official British and Jewish sources reported Colonial Secretary Arthur Creech Jones had promised governmental consideration.

The Jewish requests were presented by a delegation under Dr. Nahum Goldmann and Prof. Selig Brodetsky, members of the Jewish Agency's executive.

Would Arm Convoys

A Jewish Agency spokesman said Creech Jones was asked to:

Withdraw the Arab Legion and Trans-Jordan frontier force armed formations from the areas scheduled to become Jewish Palestine.

Recognize the existence of Jewish settlement police and allow Jewish communities in the rural areas to protect themselves.

Sanction the arming of Jewish food convoys.

Step up immigration into the Jewish areas of Palestine immediately from the present fixed quota of 1,500 monthly.

Facilitate the implementation of the United Nations' decision to set up Arab and Jewish states in Palestine in 1948 by closer cooperation with the Jewish local and national authorities.

Provocations Charged

The Jewish leaders charged that presence of armed Arab units in Jewish areas "provoked" the inhabitants.

Meanwhile, official British sources said it is "almost certain" the 16,000 uncertified Jewish immigrants held in Cyprus camps will be allowed to enter Palestine legally by May 15, when Britain will surrender her mandate to the United Nations.

U. N. GROUP DETAILS JAVA BUFFER ZONE

DEC 1947

Dutch and Indonesians Accept Mediators' Plan, With Some Conditions, as Talk Basis

BATAVIA, Java, Dec. 23 (AP)—The United Nations Good Offices Committee announced today details of its Dec. 3 plan for a demilitarized zone to give effect to the United Nations cease-fire order in the Indonesian Republic's conflict with the Dutch.

Under the plan, accepted conditionally by the Dutch and Indonesians, each side would propose the demilitarized zone it thinks should be set up.

"In the event the parties do not agree," the plan said, "representatives of the [United Nations] committee should propose delimitations of demilitarized zones, which the parties would be asked to accept."

The committee also proposed that upon acceptance of the zones by both sides there be an immediate resumption of normal trade by the demilitarized zones with both Netherlands-occupied and Republican-occupied areas.

Upon acceptance of the zone limits, all forces in the demilitarized zones and those in territory occupied by the opposite side would "move peacefully to territory on the party's own side" with "arms and warlike equipment."

Taken as Working Basis

A Dutch statement said that the committee's proposals "can be accepted in general terms as a working base" for implementation of the cease fire.

However, it added that the Netherlands would hold to the so-called "van Mook Line" as the boundary between the two sides. The Dutch also proposed that any restrictions on their troops in the demilitarized zones be binding for only fourteen days, subject to renewal if carried out.

The Dutch maintained that occupied territory should be considered territory "actually under control of occupying forces." They added that their troops would have to continue police duties in certain areas to be demilitarized, holding that such duties could be relinquished only gradually.

The Republic held that each side was entitled only to the territory its troops actually held when the United Nations Security Council's cease-fire order went into effect.

The Republican statement urged the immediate carrying out of such preliminaries as a general cease-fire order, cessation of propaganda broadcasts, discontinuance of communiqués, prohibition of sabotage, opening discussions for exchange of prisoners and full opportunity for military and civil assistants of the United Nations committee to make observations.

Burmese Ex-Premier Released From Prison

Rangoon, Burma, Dec. 23 (AP)—Former Premier Ba Maw was released today after four and a half months in jail. He had been held on suspicion of complicity in the assassinations of U Aung San and other leading Burmese Ministers.

Ba Maw told a special crimes tribunal last week he had been kept in solitary confinement under "unspeakable conditions." He appeared on behalf of U Saw, another former Premier, charged with abetting the killings.

Dangers of Curbs On Trade Stressed

U. S. Opposes Quota System at Havana Conference

HAVANA, Dec. 23 (AP).—Several large and small nations joined today in an effort to bolster the hope for an international trade organization by warning of economic disaster to underdeveloped countries if they should refuse to eliminate quotas and similar restrictions from world trade.

At the Havana Trade Conference, delegates of the United States, France, Australia and Liberia tried to break the resistance—largely from Latin-American countries—to a ban on "quantitative restrictions."

The United States, Australia and Great Britain were even reported to be prepared to ask for adjournment of the conference unless it accepted a prohibition on such practices as quotas and licenses imposed without prior I. T. O. approval.

However, a member of the United States delegation said he believed the consequences of "continued economic anarchy" had been made clear, and hoped opposing delegations would change their views.

The subject is expected to be discussed tomorrow at a secret meeting of the heads of delegations.

Quantitative restrictions are a critical topic at the conference, called by the United Nations to iron out an I. T. O. charter.

Clair Wilcox, United States delegate, said "if quantitative restrictions were to be released from all restraints, it is difficult to see why any one should want a charter or an international trade organization."

Canadian Seamen Quit Arms Ship

DEC 1947

Halifax, N.S., Dec. 23 (AP)—A Canadian Seamens Union's decision not to man munitions ships and a grievance on the part of a group of officers today combined to keep the winches of the freighter Islandside idle while a 60-ton cargo of combat planes and ammunition destined for China remained on the dockside.

H. C. Meade, CSU Atlantic vice president, said last night that 20 of the 30-odd seamen aboard the Atlantic Shipping Company's freighter had joined with 130 other seamen to pass a resolution opposing shipment of Canadian war material to China.

Steam Shut Off

He said that to prevent the shipment of arms, sold to China by the Federal Government, the sailors had resolved to "take such action as may be possible, such as refusing employment on ships carrying cargoes of this type."

"That means they're not going to take the ship out with munitions in her," the union leader explained later.

Before the seamen's decision was taken, a group of officers had shut off the steam to the Islandside's winches, leaving only a stand-by crew in the boiler room.

"On Safe Ground"

William Doherty, of Montreal, national secretary-treasurer of Canadian Communications Association, here to idscuss union matters with members of the Canadian Merchant Service Guild, an officers' union, said the officers had taken "matters into their own hands in shutting off the steam."

The officers were "on safe ground," Doherty said, because their action, although a breach of seamen's ethics, was not in violation of Federal labor regulations making a strike illegal while officers' unions are conducting wage negotiations with the Shipping Federation, an organization of ship owners.

CANADIAN SEAMEN HALT PLANE CARGO

DEC 1947

Union Decides Not to Man Ship Taking Aircraft to China—Officers Also Complain

HALIFAX, Nova Scotia, Dec. 23 (AP)—Thousands of chests of machine-gun ammunition, consigned to the Chinese Air Force, remained piled up on a dock tonight after the officers and crew of the Canadian freighter Islandside had signed off the ship, leaving it without steam for loading.

All hands except th emaster had signed off. Only a maintenance gang remained aboard to keep the boilers going, but there was not enough steam to operate the winches.

Officers of the Canadian Seamen's Union said most of the seamen had left because of a union decision not to man a vessel carrying arms.

Officials of the Joint Marine Council, which has been representing deck, engine-room and wireless officers in wage negotiations with the Shipping Federation of Canada in Montreal, said the officers had quit because of "the deal they're getting from the Shipping Federation."

William Doherty of Montreal, national secretary treasurer of the Canadian Communications Association, a unit of the Council, said the officers did not want to sail on the ship before the completion of wage negotiations.

The wage discussions have been adjourned until Jan. 8. The cargo the Islandside was to carry consisted of 600 tons of ammunition and combat aircraft, part of a quantity of Canadian surplus war equipment sold to the Chinese Government.

Strike At Halifax Delays China Arms

Halifax, Nova Scotia, Dec. 23 (AP). Thousands of chests of machine-gun ammunition, consigned to the Chinese air force, remained piled up on the dockside tonight after the officers and crew of the Canadian freighter Islandside signed off the ship leaving it without steam for loading.

All hands, except the master, signed off the ship yesterday and only a maintenance gang remained aboard to keep the boilers going but there was not enough steam to operate the winches.

PANAMA WON'T REVEAL ACTION

DEC 1947

Government May Not Act Soon On Defense Break

NOLI

Panama, Panama, Dec. 23 (AP)—Panama, whose National Assembly refused last night to ratify an agreement under which the United

States would lease fourteen Panamanian sites for Canal Zone defense, relaxed tonight after a fortnight of heated agitation and popular clamor aganst the pact.

Government sources refused to indicate today what action they would take next as a result of the 51-to-0 vote on a resolution forbidding the leasing of thirteen defense sites and the Rio Hato air base, but it was believed there would be no developments until after the holidays.

Students Make Demand

Political circles here said that popular demand, particularly from Panamanian students, was chiefly responsible for the assembly's rejection of the agreement, which representatives of the two governments signed December 10.

The terms of the agreement, particularly a clause to lease the Rio Hato base for ten years with an option for a ten-year renewal, awoke public resentment in Panama, there circles said.

It was conceded, however, that the Assembly might have ratified the accord except for a clash December 12 between police and students protesting the agreement. The fact that one student was wounded critically was considered to have turned the tide against approval.

Would Change Minds

At an assembly session last week, Harmodio Arosemena, chamber president, said that if any deputies wished to vote for the agreement, they would change their minds on voting day when they saw "10,000 boys sharpening their knives outside." A crowd of at least that number gathered outside the assembly last night.

Opinions varied as to the direct influence of Communists against the agreement. Some persons said Communists incited the students to rise up against the pact, while others said Panama's Communist party could exercise little influence.

It was expected generally a cabinet shakeup would result from the vote. President Enrique Adolfo Jimenez's cabinet resigned October 31, authorizing him to accept the resignations at his convenience. Since then, only one aide stepped out—Foreign Minister R. J. Alfaro, who left in protest of the agreement.

Panama, Panama, Dec. 23 (AP). Lieut. Gen. Willis D. Crittenberger, commander of the United States forces in the Caribbean area, said tonight he had received instructions from Washington to start withdrawal of American troops from Panama defense sites without delay.

He said orders to begin the withdrawal would be issued before morning and the movement would begin at once.

U.S. to Withdraw Troops Assigned To 14 Bases in Panama Canal Zone

WASHINGTON, Dec. 23 — (AP) United States troops assigned to the defense of the Panama Canal will be pulled back within the canal zone proper following Panama's rejection of an agreement covering the lease of 14 strategic sites in that republic's territory, the State Department announced today.

The announcement, made late today, upset earlier predictions by United States officials that this this country would go on using the 14 sites, including a B-29 bomber base at Rio Hato, 70 miles from Panama City.

The lease agreement, concluded by diplomats two weeks ago, was turned down 51 to 0 yesterday by the Panamanian legislature.

To Evacuate Sites

"In accordance with all statements made to the Panamanian government in the course of the negotiations, the necessary steps will be taken immediately with a view to the evacuation of all sites in the Republic of Panama outside the canal zone where United States armed forces are now stationed," the State department said.

"This withdrawal will be completed as quickly as possible consistent with the number of personnel and the amount of material involved."

The army announced tonight it will begin withdrawal of its forces from the Panamanian territory immediately. It is estimated that no more than 2,000 ground and air force troops are stationed at the 14 sites.

The Rio Hato bomber base is considered the most important of the installations. The other 13 are mainly fighter strips and radar stations built as part of the close-in defenses of the canal.

New Canal Proposed

After the Panamanian assembly's vote was known but before the state department announced the forthcoming evacuation of the bases, members of congress proposed that the United States draw up plans for a new Atlantic-Pacific canal, perhaps across Nicaragua.

Senator Knowland (R-Calif) said he will introduce legislation as soon as congress reconvenes to authorize a survey for a sea-level canal. Rep. Engel (R-Mich) said thought should be given to a new canal "outside Panama."

Government officials originally had forecast that the 14 sites would be kept in use, under the contention that the wartime agreement under which they were put into service is still in effect. They contended that the 1942 agreement was effective until one year after the final peace treaty with Japan, but Panamanian officials disagreed.

"Hysteria" Blamed

An administration official who asked anonymity attributed the action of the Panama legislature to a "wave of hysteria." He said it was quite popular in some Latin American countries to oppose the United States as "the colossus of the north" and that the Panama action was an extreme example of the sentiment.

The official said "some Communist influence" had been brought to bear but added that "this was not a Communist maneuver as such. The Communists just took advantage of the situation."

During the long negotiations, the United States representatives reduced the proposed length of the leases from a maximum of 99 years down through 50, 30 and then 20 years, reporters were told. This government, the official said, also offered to arbitrate the question whether the rights granted in 1942 remained in effect until after a formal peace treaty with Japan. However, Ricardo Alfaro, who resigned as foreign minister rather than sign the lease agreement, would not submit the dispute to arbitration, the official said.

"The next move is up to Panama," he asserted. "I can't say there will never be renewed negotiations for leases in the future, but I know of no plans for such now. We are moving out in a very permanent fashion."

Senator Knowland told a reporter that "we can't afford to sit around twiddling our thumbs" if Panama is to make it impossible for the United States to defend the canal.

Engel, chairman of the defense appropriations subcommittee, said he had "no doubt" that the adverse vote of the Panamanian assembly was influenced at least in part by the Communist movement. He told newsmen he would recommend that the appropriations committee withhold funds for further development of the Panama Canal until this nation obtains rights to defend that strategic installation.

"We certainly are not going to spend hundreds of millions of dollars in developing the present canal or for a sea level canal at the present site when we cannot obtain bases to defend the canal in time of war," he said.

The United States government contends that its wartime agreement for use of the installations will not run out until the final peace treaties are signed. The pact signed with the defeated Japanese in Tokoyo Bay two years ago was just an armistice, government legal experts say.

Frank T. Hines, United States Ambassador to Panama, said after a conference with President Truman today that he is hopeful an agreement for use of the bases eventually can be worked out with Panama. Here on a vacation, he is leaving for the Isthmus tomorrow.

Officials of the United States government indicated that no further action will be taken before Panama's presidential election next May 9, unless some new move is made by Panama.

The 10-mile wide canal zone proper, controlled by the United States under a perpetual grant and for which Panama is paid $400,000 a year, is not involved in the disputes.

New Panama Pact Likely, Hines Says

Washington, Dec. 23 (AP)—Brig. Gen. Frank T. Hines, Ambassador to Panama, said after a conference with President Truman today he believes an agreement will be reached with Panama for the United States to have military bases there.

The Panama Assembly rejected last night an agreement for the United States to lease fourteen military bases on Panamanian soil.

Its action brought sharp comment from some Congress members. Representative Engel (R., Mich.) suggested the United States construct a new Atlantic-Pacific canal outside Panama if that country persists in its present attitude.

Knowland To Offer Bill

Senator Knowland (R., Cal.) announced that as soon as Congress reconvenes he will offer legislation to authorize a new survey for a sea-level canal across Nicaragua.

"We can't be dependent on Panama alone if we can't adequately defend it," Knowland said. "We can't afford to sit around and twiddle our thumbs."

Knowland said he would propose the Nicaraguan survey as an alternative to building new locks in the Panama Canal, as proposed recently by President Truman.

Hines is returning to his post immediately. He has been in the United States on a vacation.

Even before the Panama Assembly's action, he said, he had planned to leave tomorrow.

"At Proper Time"

Hines first said he preferred not to comment on the Assembly's action, but then said he imagines new plans will be made "at the proper time," looking to a new agreement. He added he feels certain eventually "we will get together."

Hines said he had discussed the situation with Mr. Truman, but declined to give details of their talk.

He recalled the United States has turned back 120 bases which it operated on Panamanian soil during the war.

"We feel these other bases are necessary for us to have in connection with any well-planned defense of the Panama Canal," he added.

Will Sail Tomorrow

Hines said he is leaving Washington tomorrow and will sail from New York at 3 P.M.

Engel, chairman of the House Appropriations Subcommittee on Defense, said:

"There is no doubt in my mind the Panama National Assembly was influenced at least in part by the Communist movement in the Canal Zone."

The Panama Assembly voted down last night an agreement allowing the United States fourteen leased military bases on Panamanian soil.

Treaty To Continue

American officials said United States forces will continue to use the bases despite the Assembly's vote. They explained that a 1942 agreement for their use runs until the final peace treaties of World War II are signed.

Panama disputes that interpretation of the 1942 agreement. Engel said if Panama continues its present attitude, "it leaves us no alternative but to look to a new canal site and stop development of the present site.

"We certainly are not going to spend hundreds of millions of dollars developing the present canal or for a sea-level canal at the present site when we cannot obtain bases to defend the canal in times of war," he added.

Would Suspend Funds

"I shall recommend to the Appropriations Committee the withholding of all funds for development of the present canal site, until such time as we obtain rights to defend the canal. I shall recommend the appropriation of money to check all former surveys of other canal sites and to make surveys for a new canal outside Panama."

There have been proposals in the past that the United States construct a canal through Nicaraguan territory.

Engel did not mention Nicaragua, but said: "I am sure there are other countries in Central America that would be glad to give us defense bases if we develop another canal.

"A well-defended canal is not only necessary for us but for every North and South American country that depends on the canal in times of peace and war.

"Stand-By" Status Proposed

"If it is necessary to develop an alternate canal, I propose that we keep our treaty with Panama but keep the present canal only on a stand-by basis.

"We do not want to do this, but they leave us no alternative, if they insist on this action."

Engel said proposals for a sea-level canal call for expenditure in Central America of approximately $2,000,000,000.

American officials indicate this country, before taking any action, will await the outcome of the presidential election in Panama on May 9 and any possible new move by Panama.

30.24- 14431

Only Field For Big Bombers

The Canal Zone proper is not involved in the argument. Ten miles wide, it is granted forever to the United States, which exercises all rights, powers and authority as if it were sovereign. In return, the United States pays Panama $400,000 a year.

The rejected accord, signed early this month, would have given the United States use of the huge B-29 airbase at Rio Hato in Panama for ten years with an option to renew for ten more.

Wartime-built Rio Hato is the only airbase anywhere near the canal that can accommodate the big bombers. It is 70 miles northwest of Panama City.

The thirteen other defense sites of various types would have been leased for five years. Title would have remained with Panama.

Vital To Defense Of Canal

The bases are the remainder of 134 defense sites which the United States used during the war. The Army Department considers them vital to defense of the canal.

The State Department today officially was awaiting formal notification by the Panamanian Government of the Assembly's rejection, before making any further moves.

But Government officials familiar with the situation suggested there might be little point in trying to work out a new agreement during the heat of a presidential campaign which is now beginning.

Opposition in Panama has centered principally on leasing Rio Hato and on the idea of giving up Panamanian territory to the United States in peace times.

Expiration Date Disputed

Trouble first started over two years ago when Panamanian Foreign Minister Ricardo Alfaro told the Assembly the United States had to clear out of all wartime bases on Panamanian soil by late 1946—one year after signing of the Japanese surrender.

The State Department rejected this. It pointed out that the 1942 defense agreement with Panama under which the bases were being occupied stated the United States would vacate them one year after signing of the "definitive peace treaty."

PRESIDENT SIGNS FOREIGN AID BILL

DEC 1947

WASHINGTON, Dec. 23. —(AP) President Truman today signed legislation appropriating $522,000,000 in emergency winter aid to France, Italy and Austria, and the State Department made haste to get the program rolling.

Officials of the department said they hope to conclude individual agreements with the three nations in the next few days even if some details have to be worked out later.

Other Sums Included

The fund was contained in a $914,286,500 appropriation bill, which cleared congress in the closing hours of the special session. The bill also provides $18,000,000 in aid for China, $340,000,000 for military occupation costs abroad, $32,011,000 for reclamation projects in this country and smaller miscellaneous sums.

Negotiations over use of the American relief funds in the three European countries already have started.

In contrast to former American relief agreements, the new accords may provide that local currency taken in by foreign governments selling the American supplies shall be set aside to reduce their internal debt.

In many cases, individual Frenchmen, Italians or Austrians may be financially able to pay their governments for family rations of food and so on. It is the disposition of such payments that is under discussion.

Government authorities said it is likely that such a provision will be included in the bilateral agreements now under discussion.

They stressed, however, that the State department has not decided how much of the local currencies should be earmarked for such anti-inflationary use.

They said the big aim now is to conclude the agreements as swiftly as possible, with an understanding that the United States and the recipient countries can work out later details of using money brought in by the sale of American goods.

TAFT WARNS AID FOR ONE YEAR MAY EXCEED 8 BILLIONS

DEC 1947

Asserts Congress Must Cut Total for Europe Asked by Truman.

Washington, Dec. 23 (A. P.)—American aid to Europe may exceed $8,000,000,000 in one year if President Truman's long-range recovery proposal is not trimmed by Congress, Senator Taft (R.-Ohio) declared today.

Taft told reporters that if the President's request for $6,800,000,000 for the first fifteen months of the so-called Marshall plan is granted, additional outlays of American money in Europe may total $1,200,000,000 in the year beginning July 1.

Commenting that he expects little of the original recovery funds to be spent before that date, the Ohio Senator said that Congress must keep in mind the necessity of providing about $850,000,000 for German food.

He said European countries at the same time will be able to draw roughly $350,000,000 in American money from the International Bank.

Taft, who has said that the President's program involves too much money, noted that wholly apart from this calculation, the Western European nations could be expected to obtain about $500,000,000 from the international stabilization fund.

Sees High Export.

Taft also pointed to Government reports which accompanied the President's Marshall Plan message indicating that exports of goods from this country for the next year will continue to exceed imports by about $10,000,000,000.

"We can't export $10,000,000,000 more than we import without continuing to have high prices," the Ohioan declared.

Meanwhile, Senator Morse (R.-Ore.), who doesn't always follow the voting path of his Republican colleagues, cautioned his party not to try to peddle "a political bill of goods" in acting on the Marshall Plan.

Morse told reporters he is "perfectly willing to go along with the Republican party in any modification of the Marshall Plan that can be supported by adequate evidence."

"But," he added, "my party should not forget that the American people are not interested in being sold a political bill of goods. They want a program of statesmanship that places the public interest above both Democratic and Republican presidential politics."

DRAFT VIOLATORS GET YULE PARDONS

DEC 1947

1,523 Have Citizenship Rights Restored by President's Order.

WASHINGTON, Dec. 23 —(AP) Christmas pardons by President Truman today restored citizenship rights to 1,523 persons convicted of violating the wartime draft act. They included conscientious objectors and others.

Most, if not all, of those affected have already served their sentences. The effect of the President's proclamation is a blanket restoration of "political, civil and other rights."

15,805 Cases Reviewed

The President acted on the recommendation of an amnesty board which he set up a year ago and which reviewed 15,805 cases.

The board was headed by Owen J. Roberts, former associate justice of the Supreme Court. He was assisted by Willis Smith, Raleigh, N. C., attorney, and James F. O'Neil, national commander of the American Legion.

Their report that the 15,805 selective service violation cases considered included "approximately 10,000 wilful violators, 4,300 Jehovah's Witnesses, 1,000 religious conscientious objectors and 500 other types."

The list of those pardoned did not indicate in which class the board placed each individual.

"Of this total," the report continued, "618 were granted Presidential pardons because of a year or more service with honorable discharges from the armed forces. An additional approximate 900 entered the armed forces and may become eligible for pardon upon completion of their service.

"When the board was created there were 1,200 offenders in custody. Since that date, an additional 550 have been institutionalized. At the present time there are 626 in confinement, only 76 of whom were in custody on Jan. 6, 1947."

The board said it rejected recommendations that it advocate a general amnesty to all violators, asserting such a blanket action would have restored full civil status to some men "who neither were nor claimed to be religious conscientious objectors."

The board said that its work was directed "chiefly to examining the propriety of recommending restoration of civil rights to those who have been returned to their homes." It did not state whether any of those for whom the pardons were recommended are still in custody.

"Wilful" Cases Screened

Although two-thirds or more of the cases studied concerned "wilful violation," the board said it found in some instances that such violation was due to "ignorance, illiteracy, honest misunderstanding or carelessness not rising to the level of criminal negligence."

But many of the wilful violators had prior criminal record and others had "ulterior motives" for draft dodging, the report said. It concluded that those who for such reasons evaded the law indicated no respect for civil rights anyway and were not recommended for pardons.

The board said it also did not feel justified in recommending clemency for men who founded their objections to war service "on intellectual, political or sociological convictions resulting from the individual's reasoning and personal economic or political philosophy."

This latter group, it contended, set itself up as "wiser and more competent than society to determine their duty to come to the defense of the nation."

In other cases the board found that some who asserted conscientious objections were actually moved by "fear, the desire to evade military service or the wish to remain as long as possible in highly paid employment."

The board recommended pardons for a number of Americans of Japanese ancestry who were convicted because of their refusal to serve without full recognition of their rights of citizenship. He said they "deeply resented" wartime classification as "undesirables."

The board considered approximately 4,300 cases of Jehovah's Witnesses whose difficulties it said resulted from their insistence that each be accorded a "ministerial status."

The board said it recommended pardons for those it thought should be classified as "ministers."

Those pardoned included these men sentenced in district courts in Connecticut and the date of conviction:

John Payne Alter, Dec. 4, 1942; George McFarland Butcher, Jr., Jan. 15, 1945; David Brannon Calhoun, Sept. 25, 1942; William W. Clark, Dec. 4, 1940; Edward Anthony Errichetti, March 4, 1943; Norman Collings Fletcher, Oct. 1, 1943; John Karlovich, Nov. 5, 1945; Neil Webster Kelley, March 21, 1944; Paul Phio, Jan. 25, 1942; Joseph Martin Phtlak, Albert Charles Sakalouski, Feb. 10, 1943; Wesley Graham Smith, Dec. 28, 1943.

STASSEN DEMANDS FULL GRAIN DATA

Asks If White House Aides Made Speculative Profits.

DEC 1947

WASHINGTON, Dec. 23—(AP) Harold E. Stassen declared today that the government could say "in 10 minutes" whether present and former office-holders, including White House officials, made speculative profits on the commodity market from inside information.

The former Minnesota governor, an active candidate for the Republican presidential nomination, said in a statement that the people would insist on specific answers to five questions he posed about government "insiders" and "will not be fooled by a shower of irrevelant statistics."

14,000 Names Expected

He referred to a list of 711 big traders made public yesterday by Secretary of Agriculture Anderson in accordance with a congressional resolution. The names were forerunners of a group expected to total 14,000.

The only government official on the list was Edwin W. Pauley, special assistant to Secretary of the Army Royall. Pauley previously told the Senate Appropriations Committee he had something less than a million dollars invested in the commodity markets at the time he accepted the government 'posi-

tion last September, but that he had not used any inside information and had liquidated nine-tenths of his holdings.

Here are Stassen's questions, which he said could be "answered in 10 minutes time from reports which the government has had in possession for months:"

Stassen Poses Questions

"1. In addition to Mr. Pauley, were there other present and former officials of the government, including the executive department of the White House, in the commodity markets prior to the unusually heavy governmental purchases of February and March, 1947, and did they make a huge profit at the steep climb of prices which followed the governmental buying?

"2. In addition to Mr. Pauley, were there other present and former officials of the government in the market in advance of the heavy governmental buying of September, 1947, and did they make a large profit in the rapid increase of prices which followed?

"3. Did most of these insiders keep their holdings for months in an endeavor to shift to capital gains and avoid paying income taxes on their profits, and did this have an effect similar to hoarding of commodities?

"4. Did Mr. Pauley engage in extensive activities in the commodity market in 1947 in addition to those which he admitted to the senate committee?

"5. Were almost all of these transactions of insiders on the long side profiting by increased prices and contributing to an excessive raise in food prices in 1947?"

Confusion Tactics, He Says

Stassen said the administration's issuance of voluminous reports covering grain trading on Oct. 31, 1936, and the corresponding date this year, coupled with what he called "the withholding of the precise information requested for weeks," was "obviously for the purpose of confusion and distraction."

The White House refused to discuss Stassen's statement.

"No comment," said Presidential Press Secretary Charles G. Ross.

Senate and house committees made preparations to dig up more facts about speculation in foodstuffs.

Chairman Andresen (R-Minn) said his special house committee will summon "certain traders" to explain "how their purchases happened to occur just before the government would enter the market."

He promised that his group, to avoid duplication of effort, would work in close cooperation with the Senate Appropriations Committee which is looking into the same matter.

Senator Knowland (R-Calif) of the appropriations group said staff workers are studying the list of 711 big trading accounts made public yesterday, and the committee will do its best to run down any information leaks. He conceded it would be a difficult job.

Anderson's next list, expected to include about 8,000 names, is expected by the end of this week.

DEC 1947

Congress Will Be Asked for Funds to Send U. S. Papers Abroad by Air, Lovett Says

WASHINGTON, Dec. 23 (AP) — The Administration plans to ask Congress to pay the costs of sending American newspapers and magazines abroad by air, Robert A. Lovett, Under-Secretary of State, said today.

In a letter to Senator Alexander Wiley, Mr. Lovett said that the State Department was "in entire accord" with the Wisconsin Republican on "securing the cooperation of private groups, organizations and individuals in telling the story of America abroad."

Mr. Wiley had asked the Department for its views on the desirability of paying the airmail charges on American newspapers and magazines in an endeavor to get current issues abroad quickly to "tell the truth" about America.

Mr. Lovett said that money to pay such costs would be asked of Congress after passage of the Mundt Bill for an expanded overseas information program. This measure, sponsored by Representative Karl Mundt, Republican, of South Dakota, was approved by the House earlier this year and is before the Senate Foreign Relations Committee for minor revision.

Mr. Lovett also wrote that the department was trying to have foreign countries do away with "artificial barriers to the flow of United States newspapers, periodicals, books and films."

Senator Wiley had said that many countries hold up newspapers and magazines for as long as a month at the port of entry before they were released for sale or distribution.

Nimitz Accepts Texas Navy 'Post'

San Diego, Cal., Dec. 23 (AP)—Fleet Admiral Chester W. Nimitz today demonstrated his new baby-sitter technique, and also announced he had accepted appointment as "chief of naval operations" of the Texas navy.

Nimitz, who was relieved last week as chief of naval operations of the United States Navy, arrived last night with Mrs. Nimitz and two daughters, to spend Christmas with his third daughter, Mrs. James T. Lay, and grandson, James T., Jr., 17 months old.

He held the grandson on one forearm as he told interviewers he had no political ambitions and was still in the active United States Navy.

He said he had sent his Texas navy acceptance to Gov. Beauford H. Jester. He had previously been an "admiral" in the Texas navy.

DEPORTATION CASES HELD UP

DEC 1947

Government Postpones Action After Protest By U.N.

New York, Dec. 23 (AP)—The Government postponed deportation proceedings today against two foreign newspaper men accredited to the United Nations after Trygve Lie, secretary general, protested that such action might be in violation of an agreement with the United Nations.

Deportation proceedings were brought against Nicholas Kyriazidis, of Greece, and Syed Hasan, of India, on the grounds that they are Communists.

The Government initiated the action under a 1918 law permitting deportation of aliens who are members of an organization advocating the forcible overthrow of the government.

Freed On Own Recognizance

Kyriazidis was released on his own recognizance for a further hearing on order of Watson B. Miller, Commissioner of the Immigration and Naturalization Service.

Earlier, acting on his attorney's advice, Kyriazidis refused to answer questions at a deportation hearing after producing documents to show he was accredited as a United Nations correspondent for the newspaper, *Demokratis*, of Nicosia, Cyprus.

The attorney, Isidore Englander, contended the Department of Justice had no jurisdiction because of a law passed by Congress earlier this year, which provided neither Federal, state nor local authorities shall impede transit of United Nations correspondents to and from United Nations headquarters.

Charges Trickery

At the immigration hearing Kyriazidis's attorney contended the correspondent was arrested by "chicanery and trickery."

An immigration investigator, under questioning by the defense attorney, said he sent a registered letter to Kyriazidis, and the newspaper man was arrested outside a post office when he called for the letter.

The investigator denied the letter was "a trick," but said the purpose in sending it was to "have the individual call for it."

Hasan, correspondent for the *People's Age*, in Bombay, official Communist party newspaper in India, said at a news conference today after his release in $5,000 bail that his detention was a result of "my political beliefs and because I represent Communist newspapers."

Student's Visa Alleged

Immigration authorities contended that Hasan was deportable because he entered this country on a student's visa and no longer was a student.

Hasan said, however, he was still a student because he has not completed a thesis for a master's degree at Columbia University.

Hasan said he would try to see Secretary General Lie as well as the Indian Ambassador concerning his case.

Lie has asked Warren R. Austin, chief American delegate to the United Nations, for "prompt consideration" of the question of whether the newspapermen's arrest violated the United Nations headquarters agreement.

The agreement provides that no correspondent accredited to United Nations shall be compelled to leave the country until the sercetary general has been consulted, Lie said he had not been told of the impending proceedings against Kyriazidis and Hasan.

Greek Is Silent At Hearing On Deportation

DEC 1947

New York, Dec. 23 (AP)—A Greek correspondent accredited to the United Nations refused to answer questions in a deportation proceeding against him today, bringing the hearing to an abrupt recess.

The newspaper man, Nicholas Kyriazidis, 26, who, the Justice Department maintains, is a member of an organization advocating overthrow of the Federal Government, steadily refused to answer questions on advice of counsel.

Samuel Dorfman, Immigration Service presiding examiner, who sought unsuccessfully to learn if two of the papers Kyriazidis represented were Communist, recsssed the hearing. It will reconvene later today.

"I will not answer," Kyriazidis kept repeating.

The proceedings were opened despite previous indications of postponement while United States officials weighed the possibility that the action violated an agreement with the United Nations.

Jurisdiction Challenged

Kyriazidis's attorney, Isidore Englander, challenged the jurisdiction of the hearing authorities in his opening remarks, asserting that under Federal law the only issue was whether the Greek is duly accredited to the United Nations and that other questions were improper.

"There are very important considerations in this case," Englander declared, "not only for this man but for the press and correspondents all over the world."

Presiding Inspector Gilbert Zimmerman ruled that the hearing would determine if the Justice Department had jurisdiction and if there was sufficient basis for the warrant against Kyriazidis.

Gen. Feng Refuses To Obey Chiang

New York, Dec. 23 (AP)—China's "Christian General," Feng Yu-hsiang, says he will refuse to comply with orders from Generalissimo Chiang Kai-shek to return to his homeland.

Feng said yesterday that "my outspoken criticism of the criminal policies of civil war and dictatorship of the Nanking Government may result in an attempt to silence me by recalling me to China," and added:

"If Chiang's order is for that purpose, I would like to have it honestly and openly stated."

Was Told To Remain

An outspoken critic of the Generalissimo as well as of American aid to the present Chinese regime, the General said that he had recently received an order from Premier Chang Chun, chairman of the Executive Yuan, to continue his inspection of conservation projects in this country for another year.

He said Chiang's action contradicted this order and continued:

"Such an action by an individual, which clearly violates established government procedure, is typical of a dictator, and I feel honor bound to refuse to recognize it. I, therefore, am waiting for further clarification."

Peace could be restored to China, Feng said, within four months after formation of a coalition government representing all political parties.

30.24-14433

COMMUNIST REQUESTS FOR PERMISSION TO AFFILIATE WITH THE LABOR PARTY HAVE BEEN TURNED DOWN REPEATEDLY. London add-on majority.

HARRY POLLITT, COMMUNIST GENERAL SECRETARY, ANNOUNCED LAST WEEK A SIX-POINT COMMUNIST GENERAL POLICY, KEY TO WHICH WAS TO "FIGHT FOR A NEW LABOR GOVERNMENT, BASED ON THE FORCES OF THE LEFT AND MOST PROGRESSIVE SECTIONS OF THE LABOR MOVEMENT."

COUNTERING, LABOR PARTY GENERAL SECRETARY MORGAN PHILLIPS WARNED THE COMMUNISTS SOON WILL OPEN "A CAMPAIGN OF SABOTAGE AGAINST THE LABOR GOVERNMENT" AND CALLED FOR A FIGHT "AGAINST COMMUNIST INTRIGUE AND INFILTRATION" IN LABOR UNIONS.

W1256PES

DEC 1947

Paris add-on message.

RENE MAYER, FINANCE MINISTER, IN PRESENTING THE GOVERNMENT PROGRAM DECLARED "IT IS TIME THE FARMERS SHOULDERED THEIR SHARE OF THE NATION'S BURDENS."

WITH APPROXIMATELY 16,000,000 FARMERS AMONG THE COUNTRY'S 40,000,000 POPULATION, HOWEVER, MAYER HAD A TOUGH JOB OF CONVINCING AHEAD OF HIM.

HIS PROGRAM WAS THE LATEST IN A SERIES OF GOVERNMENT STEPS OVER A LONG PERIOD TO FORCE FRENCH PEASANTS TO PAY A LARGER SHARE OF THE TAX BURDEN.

THE AMOUNT THE FARMERS, BY FAR THE LARGEST SINGLE CATEGORY OF THE NATIONAL POPULATION, HAVE PAID IN TAXES HAS RISEN STEADILY IN THE PAST 10 YEARS. THE FOLLOWING TABLE SHOWS THE STATISTICS:

YEAR	FARMER TAXES (FRANCS)	ALL OTHER TAXES (FRANCS)
1937	23,009,000 (MILLION) FRANCS	5,623,000,000 (BILLION)
1939	50,503,000	10,674,000,000
1946	2,085,000,000 (BILLION)	72,183,000,000
1947	7,200,000,000	162,000,000,000

THE GOVERNMENT'S PROGRAM FOR 1948 WOULD LEVY 74,000,000,000 (BILLION) FRANCS IN PEASANT TAXES, AND AGRICULTURAL REPRESENTATIVES IN THE CAPITAL MADE NO SECRET OF THEIR DISSATISFACTION. THE GENERAL CONFEDERATION OF AGRICULTURE SAID ESTIMATES OF FARM REVENUE FOR THE NEXT YEAR WERE 584,000,000,000 (BILLION) FRANCS, OF WHICH ONE EIGHTH WOULD BE SIPHONED OFF IN DIRECT TAXATION.

MEANWHILE, MORE THAN 1,000,000 FRENCH WORKERS HAD SIGNED UP TODAY WITH THE NEW "WORKERS FORCE" WHICH IS BEING ORGANIZED IN OPPOSITION TO THE COMMUNIST-LEAD GENERAL CONFEDERATION OF LABOR.

SUPPORTERS OF THE NEW ORGANIZATION SAID THE GENERAL CONFEDERATION'S MEMBERSHIP, WHICH AT ONE TIME WAS ESTIMATED AT 6,000,000 AFTER THE WAR, HAD DWINDLED TO NO MORE THAN 2,000,000. ANTI-COMMUNISTS SPLIT OFF LAST WEEK TO ORGANIZE THE "WORKERS FORCE" AS A RESULT OF RECENT COMMUNIST-LED STRIKES.

DEC 1947

LEON JOUHAUX, A LEADING FIGURE IN THE NEW ORGANIZATION, SAID HE HOPED TO KEEP HIS SEAT AS THE FRENCH REPRESENTATIVE IN THE WORLD FEDERATION OF TRADE UNIONS BECAUSE "WE ARE SURE OF THE SYMPATHY OF THE BRITISH AND AMERICAN TRADE UNION MOVEMENTS AND A MAJORITY OF THE W.F.T.U."

JOUHAUX WAS CO-CHAIRMAN OF THE GENERAL CONFEDERATION OF LABOR UNTIL HE RESIGNED IN THE SPLIT. HE SAID HE HOPED THE AMERICAN FEDERATION OF LABOR WOULD JOIN THE W.F.T.U., WHICH IT HAS BOYCOTTED ON THE GROUND THAT IT IS TOO STRONGLY COMMUNIST. THE C.I.O. ALREADY IS A MEMBER OF THE W.F.T.U. SHOULD JOUHAUX HOLD HIS SEAT IN THE W.F.T.U., OBSERVERS POINTED OUT, IT WOULD WEAKEN COMMUNIST REPRESENTATION IN THE ORGANIZATION.

DA347PES

EDITORS

PARIS--NIGHT LEAD FRENCH (B89) INSERT AFTER FIFTH GRAF BEGINNING "THE FIRST" AND ENDING "AGAINST THE GOVERNMENT."

THE GOVERNMENT ACCEPTED ANOTHER AMENDMENT THAT WOULD ABOLISH THE POSTS OF 150,000 GOVERNMENT JOB HOLDERS.

RENE PLEVEN, FORMER FINANCE MINISTER, WHO PROPOSED THE AMENDMENT, SAID THERE WERE 750,000 CIVIL SERVANTS IN 1938 AND 1,000,000 NOW.

RENE MAYER, FINANCE X X X 6TH GRAPH.

DA435PES

PARIS, DEC 23-(AP)-THE FRENCH CABINET GAVE HIGH COMMISSIONER EMILE BOLLAERT FULL POWERS TODAY TO NEGOTIATE PEACE IN INDOCHINA--SO LONG AS HE DOES NOT DEAL WITH THE INSURGENT VIET-NAM GOVERNMENT OF HO CHI MINH.

BOLLAERT RETURNED TO PARIS LAST WEEK AFTER A CONFERENCE WITH BAO DAI, EXILED FORMER EMPEROR OF ANNAM. ANNAM IS ONE OF THE FIVE INDOCHINESE STATES.

FRENCH PRESIDENT VINCENT AURIOL ANNOUNCED TODAY THE CABINET HAD RECEIVED MESSAGES OF SUPPORT FROM THE KINGDOMS OF CAMBODIA AND LAOS. A FRENCH-SUPPORTED GOVERNMENT EXISTS IN COCHIN-CHINA, ANOTHER OF THE STATES.

HO CHI MINH DID NOT REPLY TO THE MOST RECENT FRENCH PEACE PROPOSALS, AND THEY WERE REJECTED BY THE VIET-NAM RADIO, WHICH HIS GROUP CONTROLS.

MT1003AES

DEC 1947

PARIS, DEC.23-(AP)-THE FRENCH NATIONAL ASSEMBLY TONIGHT APPROVED A BILL COMPELLING FRENCHMEN TO PURCHASE GOVERNMENT BONDS VALUED AT 130,000,000,000 (BILLION) FRANCS ($1,092,000,000) OR PAY THE SAME AMOUNT IN TAXES.

THE VOTE, 323 TO 280, CAME AFTER 24 HOURS OF ALMOST CONTINUOUS DEBATE.

THE SUM WILL BE USED ENTIRELY FOR POST-WAR RECONSTRUCTION.

IT WILL BE LEVIED AGAINST THE TAXPAYERS WITH INCOMES OVER 450,000 FRANCS ($3,780) ANNUALLY ON A SLIDING SCALE IN ACCORDANCE WITH TOTAL INCOME.

THE LOAN ORIGINALLY WAS DESIGNED TO PRODUCE 160,000,000,000 (BILLION) FRANCS ($1,340,000,000). AMENDMENTS PASSED OVER GOVERNMENT OBJECTIONS EXEMPTED GROUPS OF FARMERS, LARGE FAMILIES, SMALL BUSINESSMEN AND PERSONS WHOSE PROPERTY WAS DAMAGED DURING THE WAR.

UNDER PLANS OF FINANCE MINISTER RENE MAYER, THE REST OF PREMIER ROBERT SCHUMAN'S BUDGET OF 230,000,000,000 (BILLION) FRANCS ($1,930,000,000) WILL BE COVERED BY AMERICAN AID.

THE ASSEMBLY VOTED ETC FIRST GRAF PVS (A145)

ROME, DEC 23-(AP)-ROME PRESS DISPATCHES REPORTED TODAY THAT A GENERAL STRIKE HAD BEEN CALLED IN THE PO VALLEY INDUSTRIAL TOWN OF CREMONA TO PROTEST AGAINST A BOMB EXPLOSION WHICH DAMAGED COMMUNIST PARTY HEADQUARTERS THERE LAST SATURDAY NIGHT.

THE STRIKE IN CREMONA, WHICH HAS A POPULATION OF ABOUT 64,000, FOLLOWED 10 DAYS OF LABOR DISTURBANCES IN SICILY, WHERE DEMANDS FOR UNEMPLOYMENT RELIEF AND WINTER LABOR BENEFITS PRODUCED GENERAL STRIKES AT PALERMO, MESSINA, CATANIA, CANICATTI, CALTANISETTA, ARGENTIO AND GELA. ONLY THE STRIKE AT GELA REMAINED IN PROGRESS TODAY.

THREE OF THE 15 PERSONS WOUNDED IN RIOTING AT CANICATTI SUNDAY DIED YESTERDAY, BRINGING TO 26 THE TOLL OF FATALITIES IN LEFTIST-LED DISORDERS IN ITALY SINCE EARLY DECEMBER.

DN614AES

MADRID, DEC 23-(AP)-AGUSTIN ZOROA, CONSIDERED TO BE SPAIN'S NO.1 COMMUNIST LEADER, AND FOUR OTHERS HAVE BEEN SENTENCED TO DEATH AND ARE LIKELY TO BE EXECUTED SOON, IT WAS LEARNED TODAY.

ZOROA WENT ON TRIAL LAST WEEK BEFORE A MILITARY COURT. THE PRINCIPAL CHARGES AGAINST HIM WERE POSSESSION OF A LETTER BROUGHT FROM GENERAL HEADQUARTERS OF THE FRENCH COMMUNIST PARTY, POSSESSION OF EXPLOSIVES AND DIRECTION OF COMMUNIST ACTIVITIES IN SPAIN AS SECRETARY-GENERAL OF THE PARTY.

VG32PES DEC 1947

BERLIN, DEC 23-(AP)-ONE OF THE SMALLEST, BLEAKEST CHRISTMAS EVE RELIGIOUS SERVICES ANYWHERE WILL BE HELD TOMORROW FOR SEVEN MEN IN BERLIN'S GRIM SPANDAU PRISON.

THEIR NAMES ARE RUDOLF HESS, KARL DOENITZ, ERICH RAEDER, CONSTANTIN VON NEURATH, ALBERT SPEER, BALDUR VON SCHIRACH AND WALTHER FUNK.

THEY ARE THE SURVIVORS OF THE 19 MAJOR NAZI WAR CRIMINALS CONVICTED AT NEURNBERG BY AN INTERNATIONAL MILITARY TRIBUNAL IN OCTOBER, 1946, AND ARE SERVING SENTENCES RANGING FROM 10 YEARS TO LIFE.

FOR THE FORMER NAZI LEADERS THIS IS THE FIRST CHRISTMAS IN THE FOUR-POWER ADMINISTERED SPANDAU PRISON WHERE THEY ARE THE ONLY PRISONER USUALLY THEY ARE IN SEMI-SOLITARY CONFINEMENT, ?75 HEY ARE ALLOWED

USUALLY THEY ARE IN SEMI-SOLITARY CONFINEMENT, BUT THEY ARE ALLOWED TO COMMUNICATE IN THEIR WORK AND TO GATHER FOR RELIGIOUS SERVICES.

TOMORROW THEY WILL MEET IN THE PRISON ROOM WHICH SERVES AS A CHAPEL AND BE ADDRESSED BY THE REGULAR PRISON CHAPLAIN. THERE WILL BE CAROL SINGING BUT NO TREE.

"OUR AUSTERITY RULES FORBID A TREE OR ANY FESTIVE TRIMMINGS," A MEMBER OF THE PRISON DIRECTORATE SAID. "GIFTS? YES, THERE WILL BE A FEW BECAUSE RELATIVES ARE ALLOWED TO SEND THE PRISONERS MAIL AND SOME COMFORTS. THESE ARE MAINLY TOILET ARTICLES BECAUSE THE PRISON DIET FORBIDS EXTRA FOOD PARCELS."

A PRISON AUTHORITY SAID ALL SEVEN ARE IN MODERATELY GOOD HEALTH.

"THEIR WORK IS MOSTLY AROUND THE PRISON YARD WHERE THEY HAVE A GARDEN PLOT TO TEND," HE SAID. "THEY NOW ARE LAYING THINGS IN FOR THEIR SPRING PLANTINGS."

JK455PES

BERLIN, DEC 23-(AP)-THE BRITISH AND AMERICAN MILITARY GOVERNORS OF GEMANY SAY THEY HOPE THE FOUR-POWER ALLIED CONTROL COUNCIL FOR GERMANY WILL CONTINUE TO FUNCTION BUT THAT IN ANY EVENT THE WESTERN ALLIES HAVE NO INTENTION OF LEAVING BERLIN.

GEN.SIR BRIAN ROBERTSON, THE BRITISH COMMANDER, TOLD A NEWS CONFERENCE YESTERDAY THAT HE DID NOT BELIEVE ANY ALLY "WOULD BE SO UNWISE" AS TO TRY TO BREAK UP THE FOUR-POWER ADMINISTRATION IN BERLIN.

AT A SEPARATE NEWS CONFERENCE, GEN.LUCIUS D.CLAY, THE AMERICAN COMMANDER, SAID THE UNITED STATES WOULD CONSIDER IT "A VERY SERIOUS STEP IF ONE POWER SEEKS TO WITHDRAW FROM THE AGREEMENTS WHICH BROUGHT US TO BERLIN."

"I DO NOT, AT THE PRESENT MOMENT CONSIDER IT LIKELY THAT ANY POWER WILL DO SO," HE ADDED.

CLAY SAID THE BRITISH AND AMERICANS INTENDED IMMEDIATELY TO TAKE STEPS FOR STRENGTHENING THE ECONOMIC UNIFICATION OF THEIR ZONES, BUT THAT ANY POLITICAL UNIFICATION WOULD AWAIT A DECISION OF THE GERMAN PEOPLE.

THERE HAVE BEEN SUGGESTIONS IN THE RUSSIAN-SPONSORED PRESS IN GERMANY THAT FORMATION OF A SEPARATE GOVERNMENT IN WESTERN GERMANY MIGHT LEAD TO A REQUEST THAT THE WESTERN ALLIES LEAVE BERLIN, WHICH IS SURROUNDED BY THE RUSSIAN OCCUPATION ZONE.

DN631AES

BERLIN, DEC.23-(AP)-JAKOB KAISER, LEADER OF THE CHRISTIAN DEMOCRATIC UNION IN THE SOVIET ZONE OF GERMANY WHO WAS ORDERED DISMISSED BY THE RUSSIANS THREE DAYS AGO, SAID TODAY HE STILL CONSIDERED HIMSELF THE ELECTED LEADER OF RUSSIAN ZONE CHRISTIAN DEMOCRATS, ALTHOUGH PREVENTED FROM PERFORMING HIS DUTIES THERE.

KAISER AND ERNST LEMMER, HIS CO-LEADER WHO ALSO WAS ORDERED DISMISSED BY THE RUSSIANS, SAID IN A NEWS CONFERENCE THAT IT WAS VIRTUALLY IMPOSSIBLE FOR THE UNION TO CARRY ON AS AN INDEPENDENT POLITICAL PARTY IN THE RUSSIAN ZONE. KAISER SAID HE AND LEMMER WOULD CONTINUE AS ACTIVE PARTY LEADERS IN BERLIN, ALTHOUGH UNABLE TO UNCTION IN THE SOVIET ZONE.

IT WAS OBVIOUS FROM THE STATEMENT OF THE TWO LEADERS THAT THE ORGANIZATION BEING SET UP IN THE SOVIET ZONE UNDER RUSSIAN ORDER WOULD NOT BE RECOGNIZED BY THE OLD LINE LEADERSHIP OF THE PARTY.

"WE ARE FORCED TO THE CONCLUSION," KAISER SAID, "THAT THERE PPEARS TO BE NO MORE POSSIBILITY OF CARRYING OUT AN INDEPENDENT POLICY ALONG DEMOCRATIC LINES IN THE EASTERN ZONE.

"WE HOLD TO THE VIEW THAT ONLY A LEGALLY CALLED PARTY CAN DECIDE OVER THE RETENTION OR NON-RETENTION OF THE OFFICES WHICH WERE GIVEN TO US LAST SEPTEMBER AT THE ANNUAL MEETING.

KAISER AND LEMMER WERE DISMISSED BECAUSE THEY FAILED TO BRING THE UNION INTO THE PEOPLE'S CONGRESS ARRANGED BY THE COMMUNIST CONTROLLED SOCIALIST UNITY PARTY TO "REPRESENT ALL GERMANY" IN A MEMORANDUM TO THE FOREIGN MINISTERS' COUNCIL.

DEC 1947

KAISER DESCRIBED THE CONGRESS TODAY AS A ONE-ZONE DEMONSTRATION AND SAID IT "DID NO SERVICE TOWARD GERMAN UNITY."

MD1142PES

BERLIN, DEC.23-(AP)-FRANCE WILL RECEIVE A LARGER SHARE OF GERMAN COKE PRODUCTION FOR HER STEEL INDUSTRY UNDER AN AGREEMENT REACHED BY BRITISH, FRENCH AND AMERICAN REPRESENTATIVES DURING DISCUSSIONS IN BERLIN, IT WAS ANNOUNCED TODAY.

THE AGREEMENT PROVIDES THAT WHEN DAILY GROSS CLEAN HARD COAL OUTPUT OF THE RUHR-AACHEN AREA REACHES 300,000 TONS, 7,600,000 MILLION) TONS OF COKE WILL BE EXPORTED. WHEN COAL OUTPUT REACHES 330,000 TONS DAILY, 8,400,000 TONS OF COKE WILL BE EXPORTED.

"IT IS ANTICIPATED THAT WITH HARD COAL OUTPUT RISING ABOVE 330,000 TONS DAILY, COKE EXPORTS CAN BE INCREASED FURTHER IN ACCORDANCE WITH THE REQUIREMENTS PUT FORWARD IN T

E CONVERSATIONS," THE ANNOUNCEMENT SAID.

BD/MD1133PES

DEC 1947

30.24- 14435

FRANKFURT, GERMANY, DEC.23-(AP)-JUDGE LOUIS E.LEVINTHAL, AMERICAN ADVISER ON JEWISH AFFAIRS IN THE U.S.ZONE OF GERMANY, SAID TODAY HE BELIEVED "GRATIFYING PROGRESS IS BEING MADE IN THE RE-EDUCATION OF THE GERMAN PEOPLE."

HE ISSUED A STATEMENT SAYING, "NOTWITHSTANDING SPORADIC INCIDENTS WHICH MAY CREATE OTHER IMPRESSIONS, IT IS STILL TRUE THAT MOST OF OUR SOLDIERS AND OFFICERS ARE ADMIRABLE AMBASSADORS OF DEMOCRACY AND HUMANITARIANISM."

DEC 1947

JUDGE LEVINTHAL WILL LEAVE BY PLANE DEC.28 TO RESUME HIS POSITION AS JUDGE OF THE COURT OF COMMON PLEAS IN PHILADELPHIA. HE EXPRESSED THANKS TO THE AMERICAN PEOPLE AND THE AMERICAN ARMY FOR MAKING THE LIVES OF JEWISH DISPLACED PERSONS "MORE COMFORTABLE AND MORE HOPEFUL."

HE WILL BE SUCCEEDED HERE BY DR.WILLIAM HABER, PROFESSOR OF ECONOMICS AT THE UNIVERSITY OF MICHIGAN.

B601PES

HAMBURG, GERMANY, DEC.23-(AP)-JOSEP ROSENZAFT, CHAIRMAN OF THE BRITISH ZONE CENTRAL COMMITTEE FOR LIBERATED JEWS, SAID TODAY THAT HE WILL ATTEND NEGOTIATIONS AT THE FOREIGN OFFICE IN LONDON EARLY NEXT MONTH FOR A SPEED UP IN TRANSFER OF JEWISH DISPLACED PERSONS FROM GERMANY TO PALESTINE.

(IN LONDON, AVAILABLE FOREIGN OFFICE OFFICIALS SAID THEY HAD NO KNOWLEDGE OF SUCH NEGOTIATIONS AND EXPRESSED DOUBT THERE WOULD BE ANY MARKED CHANGE IN PALESTINE IMMIGRATION PRIOR TO BRITAIN'S SCHEDULED SURRENDER OF HER MANDATE NEXT MAY 15.)

B518PES

MOSCOW, DEC 23-(AP)-THE SOVIET PRESS REPORTED TODAY THAT RETURNS FROM SUNDAY'S LOCAL ELECTIONS IN FIVE OF RUSSIA'S 16 REPUBLICS SHOWED THAT 99 PER CENT OF THE ELECTORATE HAD VOTED FOR CANDIDATES OF THE BLOC OF COMMUNISTS AND NON-PARTY CITIZENS.

IN THE CITY OF MOSCOW THE RETURNS WERE LISTED AS FOLLOWS: FOR THE BLOC -- 99.36 PER CENT; AGAINST THE BLOC-0.36 PER CENT; INVALID -- 117 BALLOTS.

RETURNS FROM OTHER AREAS INDICATED THE SAME HIGH PERCENTAGES FOR THE BLOC.

(THERE WERE NO OPPOSITION CANDIDATES ON THE BALLOTS. THE ONLY WAY IN WHICH A VOTER COULD INDICATE OPPOSITION TO THE BLOC CANDIDATES, WHO WERE APPROVED BY THE COMMUNIST PARTY, WAS TO SCRATCH THE NAMES OFF THE BALLOTS.)

LOCAL ELECTIONS IN THE REMAINING 11 REPUBLICS WILL BE HELD EARLY NEXT YEAR.

DEC 1947

DN712AES

NANKING,DEC 23 (AP)-THE CHINESE PEOPLE WILL RECEIVE A NEW NATIONAL CONSTITUTION AS A CHRISTMAS GIFT BUT IT WILL BE WRAPPED IN SO MANY LAYERS OF CONFUSION THAT THERE IS GENERAL DOUBT JUST WHAT THEY WILL FIND.

A GOVERNMENT SPOKESMAN SAID THE NEW CONSTITUTION -- ADOPTED A YEAR AGO -- DEFINITELY WILL BECOME EFFECTIVE CHRISTMAS DAY.

HIS STATEMENT CONFLICTED WITH A RECENT RESOLUTION ADOPTED BY THE STATE COUNCIL, HIGHEST INTERIM BODY.

THE RESOLUTION CALLED FOR PROMULGATION OF A PROVISIONAL STATUTORY LAW FOR RULING THE NATION UNTIL THE NATIONAL ASSEMBLY MEETS SOMETIME NEXT SPRING TO ELECT THE FIRST CONSTITUTIONAL PRESIDENT. THE ASSEMBLY WAS TO MEET CHRISTMAS DAY, BUT DELAY IN CERTIFYING MEMBERS FORCED A POSTPONEMENT.

THE CONSTITUTION PROVIDES FOR ALL-PARTY GOVERNMENT, VESTS SOVEREIGNTY IN THE PEOPLE AND GUARANTEES THEIR RIGHTS. LITTLE IMMEDIATE CHANGE IN THE APPEARANCE OR OPERATION OF THE GOVERNMENT IS EXPECTED.

GG1040ACS NM

TOKYO,DEC.23-(AP)-LT. GEN. CHARLES H.GAIRDNER, BRITISH PRIME MINISTER ATTLEE'S PERSONAL REPRESENTATIVE TO GENERAL MACARTHUR, RETURNED TODAY FROM THE UNITED KINGDOM WHERE HE REPORTED ON CONDITIONS IN JAPAN.

VR446ACS

HONG KONG, WEDNESDAY,DEC.24-(AP)-BAO DAI, FORMER EMPEROR OF THE STATE OF ANNAM, INDOCHINA, WHO HAS BEEN IN VOLUNTARY EXILE FOR TWO YEARS, EMPLANED TODAY FOR EUROPE -- ON A TRIP AIDES SAID IS EXPECTED TO END WITH HIS REENTHRONEMENT AS EMPEROR OF INDOCHINA.

EARLIER REPORTS SAID HE WOULD MEET FRENCH OFFICIALS IN LONDON AND PARIS TO DISCUSS INDOCHINESE INDEPENDENCE, AND LATER VISIT SWITZERLAND, HOLLAND, DENMARK, AND EVENTUALLY THE UNITED STATES.

ACCOMPANYING THE FORMER EMPEROR ARE HIS COUSIN PRINCE VINH CAN AND TWO OTHER STAFF MEMBERS. THEY LEFT HONG KONG ABOARD A BRITISH OVERSEAS FLYING BOAT.

FJ832PCS

YOKOHAMA,DEC.23-(AP)-FORMER SECOND LT.TOSHIO TODA AND FORMER CORPORAL CHOMATSU TAMURA PLEADED INNOCENT TODAY TO CHARGES THEY COMMITTED ATROCITIES WHICH CONTRIBUTED TO THE DEATHS OF NUMEROUS PRISONERS OF WAR IN A JAPANESE CAMP AT TOYAMA.

TODA WAS RESPONSIBLE, PROSECUTORS SAID, FOR DEPLORABLE LIVING CONDITIONS WHICH RESULTED IN WIDESPREAD SICKNESS; DENIED MEDICAL SUPPLIES TO PRISONERS; AND FORCED THEM TO WORK IN AREAS WHICH WERE BOMBING TARGETS.

VICTIMS LISTED INCLUDE: J.H.ANDREWS, DECEASED, SHEPPERTON, TWO STATION APPROACH, ENGLISH; ALFRED KEELER, DECEASED, LONDON, ENGLAND; RADJAB SHAFI, DECEASED, ALLAHABAD, C/O POST OFFICE, BOMBAY, INDIA; WALTER CHARLES DAVIS, DECEASED, 62 CHURCH ST., WEST TAMWORTH, NEW SOUTH WALES, AUSTRALIA, AND JOHN BOYD, BAYVIEW TERRACE, CLAYFIELD, BRISBANE, QUEENSLAND, AUSTRALIA.

DEC 1947

PROSECUTORS ARE ABRAM M.JONES, 186 WARRINGTON DRIVE, ROCHESTER, N.Y., AND MURRAY GRAY, 1579 EAST SECOND ST., BROOKLYN, N.Y.

VR253ACS

YOKOHAMA,DEC.23-(AP)-FIVE JAPANESE SAILORS CHARGED WITH COMMITTING ATROCITIES BELIEVED TO BE THE FIRST OF THE PACIFIC WAR PLEADED INNOCENT TODAY BEFORE A U.S. MILITARY TRIBUNAL.

FOUR DEFENDANTS ARE ACCUSED OF BEHEADING FOUR AMERICANS ABOARD THE TRANSPORT NITTA MARU, WHICH TOOK SOME 1,500 AMERICAN MARINES AND SAILORS TO A SHANGHAI PRISON CAMP AFTER THEIR CAPTURE ON WAKE ISLAND. THE FIFTH JAPANESE IS CHARGED WITH ORDERING SUBORDINATES TO BAYONET AN AMERICAN SAILOR ABOARD THE SHIP.

AMONG THE PRISONERS ON THE VOYAGE WAS MARINE COL.JAMES DEVEREAUX, COMMANDER OF WAKE WHEN IT FELL TO THE JAPANESE AFTER AN HEROIC DEFENSE.

SPECIFICATIONS LIST THE VICTIMS AS INCLUDING MARINE M/SGT.EARL R. HANNUM (ADDRESS UNKNOWN) AND T/SGT.VINCENT W.BAILEY (ADDRESS UNKNOWN).

THE DEFENDANTS ARE TAMOTSU TAKEZOE, YASUO KOHARA, TOKUICHI TAKAMURA AND ASAICHI YOSHIMURA, ALL ACCUSED OF BEHEADING FOUR OF THE VICTIMS, AND USAJI HIDA, CHARGED IN THE BAYONETING.

VR450ACS NM

HONOLULU,DEC.23-(AP)-SAILORS ABOARD THE NAVY OILER ASHTABULA ARE GOING TO CELEBRATE CHRISTMAS TWICE THIS YEAR.

THEY WILL BE WEST OF THE INTERNATIONAL DATELINE FOR THE FIRST CHRISTMAS AND WILL HAVE TURKEY. THEN THEY PASS ON EAST RIGHT INTO A SECOND CHRISTMAS DAY. IT WILL BE STEAK FOR DINNER THIS TIME.

THE OILER IS RETURNING TO PEARL HARBOR FROM A ROUTINE CIRCUIT OF WEST PACIFIC BASES. SEAMAN FIRST CLASS HAROLD J. QUIGGLEY OF BUSHNELL, ILL., IS BAKING A CHRISTMAS CAKE, AND SINCE IT HAS TO DO DOUBLE DUTY HE'S MAKING IT TWO BY THREE FEET.

FJ557PCS

HONOLULU,DEC.23-(AP)-THE LIBERTY SHIP SIMON BENSON, WITH A HULL CRACKED BY A NORTH PACIFIC STORM, WAS DUE TO DOCK HERE TONIGHT IN PLENTY OF TIME FOR A CHRISTMAS ASHORE FOR ITS 38 CREWMEN.

THE COAST GUARD SAID, HOWEVER, THAT THE ARMY TANKER EL CANEY, DAMAGED IN THE SAME STORM, WOULD NOT MAKE IT TO MIDWAY UNTIL DEC.28. THE TANKER , WITH 42 ABOARD, IS UNDER TOW. THE SHIP LOST ITS RUDDER.

FJ558PCS

DEC 1947

MANILA,DEC.23-(AP)-THE EVENING NEWS SAID TODAY THE U.S.DEPARTMENT OF THE ARMY HAD REJECTED A TENTATIVE AGREEMENT FOR THE PURCHASE OF 15,000 TONS OF PHILIPPINE SUGAR FOR USE IN CIVILIAN RELIEF IN JAPAN, KOREA AND GERMANY.

THE NEWSPAPER SAID THE TENTATIVE AGREEMENT WAS REACHED BY LT.COL. BERNARD ANDERSON OF ALLIED HEADQUARTERS, TOKYO, AND PHILIPPINE PRODUCERS. IT REPORTEDLY CALLED FOR ARMY PURCHASE OF 40 PERCENT OF THIS SEASON'S CROP AT A BONUS PRICE OF $7.19 PER 139.15 POUNDS. ANDERSON WAS SAID TO HAVE CABLED AN ALTERNATIVE PLAN TO WASHINGTON.

LOCAL PRODUCERS SAID THEY HAD REPORTS THAT CUBAN INTERESTS CUT THEIR RAW SUGAR PRICES TO $4.10 PER 100 POUNDS A WEEK AGO.

VR645ACS NM

SINGAPORE,DEC.23-(AP)-FORMER PREMIER SUTAN SJAHRIR OF INDONESIA, NOW AMBASSADOR-AT-LARGE FOR THE REPUBLIC, SAID TODAY THERE IS A POSSIBILITY HE MAY RETURN HOME TO PARTICIPATE PERSONALLY IN LAGGING NEGOTIATIONS BETWEEN THE NETHERLANDS AND THE REPUBLIC.

OTHER INDONESIAN SOURCES SAID THERE IS A "VERY STRONG CHANCE" THAT SJAHRIR WOULD GO TO BATAVIA.

THE DUTCH HAVE SAID REPEATEDLY THAT SJAHRIR IS THE INDONESIAN LEADER MOST ACCEPTABLE TO THEM. HIS GOVERNMENT WAS UNSEATED LAST JULY WHEN ON THE POINT OF REACHING AN AGREEMENT WITH REPRESENTATIVES OF THE NETHERLANDS. HIS RESIGNATION WAS FORCED BY A FEDERATION OF SIX LEFTWING PARTIES, KNOWN AS SAJAT KIRI, ON THE GROUND HE HAD MADE TOO MANY CONCESSIONS TO THE DUTCH.

MJ1124AES

SYDNEY, AUSTRALIA, WEDNESDAY, DEC. 24-(AP)-AIR TRAVELERS LEAVING SYDNEY FOR SAN FRANCISCO ABOARD AN AUSTRALIAN NATIONAL AIRWAYS PLANE TONIGHT WILL HAVE TWO CHRISTMAS DAYS AND WILL CELEBRATE BOTH.

THE FIRST CHRISTMAS DAY WILL BE OBSERVED IN THE AIR. THEN THE AIRLINER WILL CROSS THE INTERNATIONAL DATE LINE BETWEEN THE FIJI AND CANTON ISLANDS AND IT WILL BE CHRISTMAS ALL OVER AGAIN.

AN AIRLINE SPOKESMAN SAID THE COMPANY HAD MADE PROVISIONS FOR THE USUAL CHRISTMAS DINNER AND FESTIVITIES ON BOTH DAYS. THE PLANE IS DUE IN SAN FRANCISCO SATURDAY.

TA858PES

HAIFA, PALESTINE,DEC.23-(AP)-THE BRITISH TRANSPORT OCEAN VIGOR SAILED FOR CYPRUS LATE TODAY WITH ABOUT 850 VISALESS JEWISH IMMIGRANTS FROM AN INTERCEPTED REFUGEE SHIP. SICK PASSENGERS AND THERI RELATIVES, 26 IN ALL, REMAINED IN PALESTINE.

PASSENGERS SAID THE IMMIGRANT VESSEL, A TWO-MASTED SCHOONER, HAD BEEN AT SEA 13 DAYS. SHE WAS INTERCEPTED YESTERDAY WHILE TRYING TO RUN THE PALESTINE BLOCKADE AND WAS ESCORTED TO THE PORT OF HAIFA BY TWO BRITISH DESTROYERS.

TROOPS OF THE SIXTH AIRBORNE DIVISION TRANSFERRED THE IMMIGRANTS TO THE BRITISH VESSEL, FOR SHIPMENT TO CYPRUS' DETENTION CAMPS.

TROOPS OF THE BRITISH SIXTH AIRBORNE DIVISION IMMEDIATELY DEPLOYED ALONG THE DOCKS TO TRANSFER THE IMMIGRANTS TO TWO BRITISH VESSELS FOR DEPORTATION TO DETENTION CAMPS ON CYPRUS.

AT THE SAME TIME 303 JEWISH REFUGEE CHILDREN ARRIVED HERE FROM INTERNMENT IN CYPRUS TO ENTER THE "PROMISED LAND" UNDER A SPECIAL CHILDREN'S QUOTA AUTHORIZED BY THE BRITISH.

THE CHILDREN WERE TAKEN TO A CAMP NEAR HAIFA FOR PROCESSING. THEY ARE TO BE CARED FOR BY THE JEWISH AGENCY.

JEWS ABOARD THE REFUGEE SHIP, A TWO-MASTED, 350-TON SCHOONER, SAID THEY CAME MOSTLY FROM ROMANIA AND HUNGARY. AMONG THEM WERE ABOUT 150 CHILDREN, INCLUDING TWO BABIES BORN DURING THE VOYAGE.

ONE REFUGEE SAID THE VESSEL ENCOUNTERED A SEVERE STORM THE SIXTH DAY OF THE VOYAGE AND MANY PASSENGERS BECAME ILL. BRITONS WHO BOARDED THE SHIP SAID CONDITIONS BELOW DECK WERE "ABSOLUTELY FILTHY."

THE PORT OF EMBARKATION WAS NOT ANNOUNCED, BUT JEWISH SOURCES SAID THEY BELIEVED THE SHIP CAME FROM FRANCE.

AN AMERICAN CORRESPONDENT IDENTIFIED AS MEYER LEVIN WAS TAKEN OFF AND DETAINED, ALONG WITH TWO OTHER MEN AND A WOMAN. POLICE SAID THE LATTER WERE FRENCH MOTION PICTURE WORKERS.

DEC 1947

AN OFFICIAL STATEMENT SAID THAT THE REFUGEE SHIP, NAMED AL TAFCHIDUNI (YOU CAN'T FRIGHTEN US) BY THE JEWS, HAD BEEN INTERCEPTED WHEN IT ENTERED PALESTINE WATERS ABOUT 90 MILES SOUTHWEST OF HAIFA. THE SHIP WAS FLYING THE ZIONIST FLAG.

"THE BOARDING WAS COMPLETED BY A MARINE SQUAD WITHOUT OPPOSITION," THE STATEMENT ADDED. "THE ONLY CASUALTY WAS A BRITISH SAILOR WHO FRACTURED HIS HIP WHEN HE SLIPPED AND FELL DURING THE OPERATION."

THE REFUGEE SHIP WAS THE FIRST TO BE INTERCEPTED IN PALESTINE WATERS BY THE BRITISH NAVY SINCE THE UNITED NATIONS DECISION NOV. 29 TO PARTITION THE HOLY LAND.

MEANTIME ABOUT 200 JEWS ABOARD THE PASSENGER SHIP TRANSYLVANIA, BOUND FROM ROMANIA TO FRANCE, CUBA AND OTHER COUNTRIES, WERE REFUSED PERMISSION TO LAND AT HAIFA TO VISIT FRIENDS AND RELATIVES IN THIS AREA.

VS452AES

30.24- 14437

TEHRAN, DEC.23-(AP)-THE SCHEDULED TRIP OF FORMER PREMIER AHMED QAVAM TO SWITZERLAND FOR MEDICAL TREATMENT HAS BEEN POSTPONED BECAUSE HE HAS NOT YET RECEIVED A PASSPORT.

INFORMED CIRCLES SAID TODAY THE PASSPORT WILL BE ISSUED WHEN A NEW GOVERNMENT IS FORMED. IBRAHIM HAKIMI, 75, WHOSE POLICIES HAVE BEEN A TARGET FOR SOVIET CRITICISM, WAS NAMED YESTERDAY TO SUCCEED QAVAM, WHO RESIGNED.

QAVAM SEEKS TO OBTAIN PROSTATE GLAND TREATMENT IN SWITZERLAND. HE OBTAINED A TICKET FOR PASSAGE ON A NORWEGIAN PLANE WHICH LEFT SATURDAY, BUT FILED TO MAKE IT.

IRANIAN INFORMANTS SAID PUBLISHED REPORTS THAT HE WAS ARRESTED AND HIS PASSPORT CONFISCATED "AS HE WAS LEAVING FOR THE UNITED STATES" ARE UNTRUE. HOWEVER, IT IS KNOWN THAT A SPECIAL COMMITTEE OF THE MAJLIS (PARLIAMENT) AND THE PUBLIC PROSECUTOR ARE INVESTIGATING CHARGES BROUGHT AGAINST HIM BY POLITICAL OPPONENTS.

A DISSIDENT GROUP OF QAVAM'S OWN DEMOCRATIC PARTY ENTERED THE CENTRAL OFFICE, SOME BRANCH CLUBS AND THE NEWSPAPER OFFICE OF THE PARTY LAST WEEK WITH THE ANNOUNCED INTENTION OF SAFEGUARDING THE PROPERTY AND PURGING "DISREPUTABLE MEMBERS."

W147PES DEC 1947

WITH JERUSALEM (1ic)

BAGHDAD, IRAQ, DEC.23-(AP)-SEVERAL DEPUTIES IN THE LOWER HOUSE OF THE IRAQI PARLIAMENT TODAY CRITICISED THE ARAB LEAGUE STATEMENT ISSUED LAST WEEK AT CAIRO ON PALESTINE AS "WEAK" AND "EMPTY."

PREMIER SALEH JABR, HOWEVER, DECLARED THE SECRET LEAGUE RESOLUTIONS ADOPTED AT CAIRO AFTER A WEEK OF DELIBERATIONS WOULD "HAVE THE GREATEST EFFECT IN SETTLING THE PALESTINE ISSUE."

DECLARING HIS REGRET AT HIS INABILITY TO DISCLOSE THEIR NATURE, HE SAID "THE ARAB PEOPLES ARE WITNESSING THE MOST PRECARIOUS AND DANGEROUS STAGE OF THEIR HISTORY."

THE ARAB LEAGUE COMMUNIQUE MERELY ANNOUNCED THE SEVEN ARAB NATIONS HAD DECIDED TO "JOIN THE BATTLE" TO PREVENT PARTITION OF THE HOLY LAND.

B528PES DEC 1947

BOMBAY, DEC.23-(AP)-THE GIRNI KAMGAR (TEXTILE WORKERS') UNION TONIGHT DECIDED TO CALL ON 200,000 MEMBERS TO STRIKE DEC.29 AS A PROTEST AGAINST FOODSTUFFS DECONTROL AND WHAT IT CALLED "PARTIALITY" IN INDUSTRIAL ADJUDICATION.

SOCIALISTS DECIDED TEN DAYS AGO ON A ONE-DAY GENERAL STRIKE THE SAME DAY, INVOLVING AN ESTIMATED HALF MILLION WORKERS IN THE CITY. THE KAMGAR UNION IS COMMUNIST-DOMINATED.

B519PES

BY LUIS C.NOLI

PANAMA, PANAMA, DEC. 23-(AP)-PANAMA'S NATIONAL ASSEMBLY UNANIMOUSLY REFUSED LAST NIGHT TO RATIFY A SIGNED AGREEMENT GIVING THE UNITED STATES THE RIGHT TO LEASE AND MAN 14 MILITARY AND AIRFIELD SITES AS DEFENSE BASES FOR THE PANAMA CANAL.

THE ASSEMBLY'S ACTION TOOK THE FORM OF A FLAT REJECTION OF THE PACT AND SEEMED TO CLOSE THE DOOR TO FUTURE NEGOTIATION. INFORMED SOURCES HERE EXPRESSED BELIEF THE ISSUE MIGHT WIND UP IN THE LAP OF THE UNITED NATIONS OR SOME INTERNATIONAL ARBITRATION TRIBUNAL.

THE REJECTION, VOTED 51 TO 0, TOUCHED OFF A WILD CELEBRATION IN THE CAPITAL. THOUSANDS OF PERSONS MARCHED THROUGH THE STREETS SHOUTING GLEEFULLY: "IT DID NOT PASS." IN THE MIDST OF THE DEMONSTRATORS WAS FORMER FOREIGN MINISTER RICARDO J.ALFARO, WHO RESIGNED DEC. 9 BECAUSE OF OPPOSITION TO THE PACT.

ALFARO'S SUCCESSOR, FLORENCIO AROSEMENA, QUIT YESTERDAY, A FEW HOURS BEFORE THE ASSEMBLY VOTED, BECAUSE OF HIS PARTY'S OPPOSITION TO THE AGREEMENTM

THE SITUATION NOW APPARENTLY REVERTS TO THE STATUS OF SEPT. 1, 1946, WHEN PANAMA NOTIFIED THE UNITED STATES THAT A 1942 AGREEMENT AUTHORIZING THE LEASING OF PANAMA CANAL WARTIME DEFENSE SITES HAD EXPIRED.

THE UNITED STATES ARGUED THEN THAT THE 1942 AGREEMENT WAS EFFECTIVE UNTIL A YEAR AFTER THE PEACE TREATY WITH JAPAN HAD BEEN SIGNED. PANAMA CONTENDED THE "ONE YEAR AFTER" CLAUSE MEANT A YEAR AFTER GEN. MACARTHUR'S SIGNING OF THE JAPANESE SURRENDER.

(THE U.S.STATE DEPARTMENT IN WASHINGTON DECLINED COMMENT ON THE PANAMA ASSEMBLY'S ACTION AND OFFICIALS SAID NO DECISION WOULD BE TAKEN ON FUTURE STEPS UNTIL WASHINGTON RECEIVES FORMAL NOTICE OF THE REJECTION.

(DIPLOMATIC OFFICIALS SAID THE REJECTION DOES NOT MEAN THE UNITED STATES WILL HAVE TO EVACUATE THE BASES IMMEDIATELY, SINCE THIS COUNTRY STILL HOLDS TO ITS ORIGINAL INTERPRETATION OF THE 1942 PACT--THAT THE AGREEMENT CONTINUES UNTIL A YEAR AFTER A "DEFINITIVE" PEACE TREATY WITH JAPAN IS SIGNED.

(DESPITE THE U.S.INTERPRETATION, HOWEVER, NEGOTIATIONS WERE INSTITUTED 16 MONTHS AGO FOR A NEW AGREEMENT CONCERNING 14 OF THE MORE THAN 100 BASES AMERICAN FORCES OCCUPIED ON PANAMA'S SOIL DURING THE WAR. THE NEGOTIATIONS WERE UNDERTAKEN SPECIFICALLY TO AVOID A WRANGLE.)

THE UNITED STATES OWNS THE PANAMA CANAL ZONE, WHICH SPLITS THE REPUBLIC OF PANAMA IN TWO. THE DEFENSE SITES IN QUESTION, INCLUDING THE BIG RIO HATO AIR BASE, ARE ALL ON PANAMA SOIL.

THE ASSEMBLY'S VOTE CAME AFTER SIX HOURS OF DEBATE, DURING WHICH LEADING PANAMA POLITICAL FIGURES--INCLUDING A FORMER PRESIDENT AND FOUR FORMER FOREIGN MINISTERS--CRITICIZED THE BACKGROUND OF THE NEGOTIATIONS FOR THE PACT. THEY EXPRESSED RESENTMENT AGAINST WHAT THEY TERMED AN INFRINGEMENT ON PANAMA'S SOVEREIGNTY.

TWO REPORTS FROM A SPECIAL COMMITTEE WHICH CONDUCTED PUBLIC HEARINGS ON THE AGREEMENT--SIGNED DEC. 10--WERE CONSIDERED, ONE OF WHICH RECOMMENDED CONDITIONAL ACCEPTANCE, WITH AMENDMENTS, AND A MINORITY REPORT CALLING FOR REJECTION, BUT LEAVING THE WAY OPEN TO RENEGOTIATION.

DEC

"THE AGREEMENT SIGNED IN THIS CITY DEC. 10 BY THE REPRESENTATIVES OF THE GOVERNMENTS OF PANAMA AND THE UNITED STATES OF AMERICA IS NOT APPROVED BECAUSE THE AFORESAID AGREEMENT IS NOT INSPIRED IN THE PRINCIPLE OF JURIDICAL EQUALITY OF THE CONTRACTING STATES AND IT DOES NOT FOLLOW THE PRINCIPLES OF INTERNATIONAL LAW AND THE SPIRIT OF THE INTER-AMERICAN DEFENSE SYSTEM."

A NOISY DEMONSTRATION IMMEDIATELY BROKE OUT IN THE CROWDED GALLERIES AND SPREAD TO THE THRONGS OUTSIDE.

THE ASSEMBLY'S REJECTION WAS VOTED IN SPITE OF PRESIDENT ENRIQUE JIMINEZ, WHO URGED APPROVAL IN A RADIO MESSAGE LAST WEDNESDAY NIGHT "BECAUSE A CLASH FOR SUPREMACY BETWEEN DEMOCRACY AND COMMUNISM IS IMMINENT."

PRESIDENTIAL ELECTIONS ARE SCHEDULED FOR MAY 9, 1948.

VS338AES

WASHINGTON,DEC.23-(AP)-LT.GEN.LUCIAN K.TRUSCOTT,JR., SAYS TWO MAJOR WORLD WAR II BATTLES, CASSINO AND ANZIO WOULD NEVER HAVE TAKEN PLACE AND THE ITALIAN CAMPAIGN MIGHT HAVE BEEN SHORTENED MANY MONTHS HAD U.S. FORCES HAD HORSE CAVALRY.

THE OPINIONS ARE EXPRESSED IN A LETTER TRUSCOTT, FORMER COMMANDER OF THE U.S. FIFTH ARMY, WROTE JULY 14, 1945, TO THE COMMANDING GENERAL, MEDITERRANEAN THEATER. A COPY WAS GIVEN TODAY TO A SENATE ARMED SERVICES SUBCOMMITTEE.

TRUSCOTT WROTE:

"I AM OF THE OPINION THAT HAD A REGIMENT OF WELL TRAINED AMERICAN CAVALRY BEEN AVAILABLE TO ME WHEN THE THIRD DIVISION BEGAN ITS ADVANCE NORTH FROM BATTIPAGLIA, OR EVEN WHEN WE CROSSED THE VOLTURNO, THE BATTLE OF CASSINO WOULD NEVER HAVE TAKEN PLACE, ANZIO WOULD HAVE BEEN UNNECESSARY AND THE ITALIAN CAMPAIGN MIGHT HAVE BEEN TERMINATED MANY MONTHS BEFORE IT ACTUALLY DID."

THE LETTER WAS GIVEN THE SUBCOMMITTEE BY MAJ.GEN.JOHN K.HERR, RETIRED, LAST CHIEF OF U.S. CAVALRY.

HERR APPEARED BEFORE THE GROUP, HEADED BY SENATOR MORSE (R-ORE), TO OPPOSE THE STATE DEPARTMENT'S MOVE TO RETURN TO HUNGARY 105 HORSES SEIZED BY THE U.S. ARMY AFTER V-E DAY.

THE ARMY BROUGHT THE THOROUGHBRED ANIMALS TO THIS COUNTRY FOR BREEDING PURPOSES. IT CONTENDS THEY ARE "WAR BOOTY" WHILE THE STATE DEPARTMENT VIEW IS THAT THE ARMY HAD NO RIGHT TO SEIZE THEM. A DECISION AS TO WHAT WILL BE DONE IS BEING HELD UP WHILE THE SENATE SUBCOMMITTEE LOOKS INTO THE MATTER.

EG305PES

DEC 1947

WASHINGTON,DEC 23-(AP)-THE STATE DEPARTMENT SAID TODAY THE UNITED STATES IS GOING AHEAD WITH DEPORTATION PROCEEDINGS AGAINST A GREEK NEWS CORRESPONDENT DESPITE A "REMINDER" FROM THE UNITED NATIONS THAT HE IS ACCREDITED TO IT.

A SPOKESMAN SAID THE DEPARTMENT HAS BEEN NOTIFIED THAT A PRELIMINARY HEARING WILL BE HELD IN NEW YORK LOOKING TO DEPORTATION OF THE CORRESPONDENT, NICHOLAS KYRIAZIDIS.

PRESS OFFICER REGINALD MITCHELL TOLD REPORTERS THAT "THE ISSUE IS WHETHER HE IS A BONA FIDE NEWSPAPER MAN WORKING FOR A BONA FIDE NEWSPAPER" AT U.N. HEADQUARTERS.

THIS IS THE ISSUE ALSO, MITCHELL SAID, IN THE CASE OF SAYED S. HASAN, REPRESENTATIVE OF THE PEOPLE'S AID OF BOMBAY, WHO HAS BEEN DETAINED AT ELLIS ISLAND. THE PEOPLE'S AID WAS DESCRIBED BY MITCHELL AS THE OFFICIAL ORGAN OF THE COMMUNIST PARTY IN INDIA.

THE PRESS SPOKESMAN SAID THAT KYRIAZIDIS LOST HIS STATUS AS A NEWSPAPER MAN AND "BECAME SOLELY AN ALIEN COMMUNIST" WHEN THE TWO GREEK COMMUNIST PAPERS HE REPRESENTED WERE CLOSED BY THE REEK GOVERNMENT IN OCTOBER. THE STATE DEPARTMENT WAS INFORMED ONLY YESTERDAY THAT THE UN GAVE HIM NEW CREDENTIALS LAST OCT. 24.

IT WAS ONLY YESTERDAY ALSO, MITCHELL SAID, THAT THE DEPARTMENT WAS ADVISED "INFORMALLY" THAT HASAN HAD BEEN GRANTED A U.N. CORRESPONDENT'S CREDENTIALS ALTHOUGH HE WAS ADMITTED TO THE UNITED STATES ONLY AS A STUDENT.

RZ211PES

WASHINGTON,DEC.23-(AP)-MEMBERS OF CONGRESS PROPOSED TODAY THAT THE NATION DRAW UP PLANS FOR A NEW ATLANTIC-PACIFIC CANAL FOLLOWING PANAMA'S REJECTION OF A LEASE AGREEMENT COVERING 14 U.S.DEFENSE INSTALLATIONS PROTECTING THE BIG DITCH ACROSS THE ISTHMUS.

SENATOR KNOWLAND (R-CALIF) ANNOUNCED THAT AS SOON AS CONGRESS CONVENES NEXT MONTH HE WILL INTRODUCE LEGISLATION AUTHORIZING A SURVEY FOR A SEA-LEVEL CANAL ACROSS NICARAGUA.

REP.ENGEL (R-MICH) CALLED FOR A SURVEY OF A NEW CANAL "OUTSIDE PANAMA."

DESPITE THE PANAMANIAN ASSEMBLY'S VOTE, THE UNITED STATES--CONTENDING IT HAS A LEGAL RIGHT--PLANS TO GO AHEAD FOR THE PRESENT USING THE INSTALLATIONS, INCLUDING THE BIG BOMBER BASE AT RIO HATO, 70 MILES NORTHWEST OF PANAMA CITY. THAT FIELD IS THE ONLY ONE IN THE AREA LARGE ENOUGH TO ACCOMMODATE B29S.

KNOWLAND TOLD A REPORTER THAT "WE CAN'T AFFORD TO SIT AROUND TWIDDLING OUR THUMBS" IF PANAMA IS TO MAKE IT IMPOSSIBLE FOR THE UNITED STATES TO DEFEND THE CANAL.

ENGEL, CHAIRMAN OF THE DEFENSE APPROPRIATIONS SUBCOMMITTEE, SAID HE HAD "NO DOUBT" THAT THE ADVERSE VOTE OF THE PANAMANIAN ASSEMBLY WAS INFLUENCED AT LEAST IN PART BY THE COMMUNIST MOVEMENT. HE TOLD NEWSMEN HE WOULD RECOMMEND THAT THE APPROPRIATIONS COMMITTEE WITHHOLD FUNDS FOR FURTHER DEVELOPMENT OF THE PANAMA CANAL UNTIL THIS NATION OBTAINS RIGHTS TO DEFEND THAT STRATEGIC INSTALLATION.

"WE CERTAINLY ARE NOT GOING TO SPEND HUNDREDS OF MILLIONS OF DOLLARS IN DEVELOPING THE PRESENT CANAL OR FOR A SEA LEVEL CANAL AT THE PRESENT SITE WHEN WE CANNOT OBTAIN BASES TO DEFEND THE CANAL IN TIME OF WAR," HE SAID.

THE UNITED STATES GOVERNMENT CONTENDS THAT ITS WARTIME AGREEMENT FOR USE OF THE INSTALLATIONS WILL NOT RUN OUT UNTIL THE FINAL PEACE TREATIES ARE SIGNED. THE PACT SIGNED WITH THE DEFEATED JAPANESE IN TOKYO BAY TWO YEARS AGO WAS JUST AN ARMISTICE, GOVERNMENT LEGAL EXPERTS SAY.

FRANK T.HINES, UNITED STATES AMBASSADOR TO PANAMA, SAID AFTER A CONFERENCE WITH PRESIDENT TRUMAN TODAY THAT HE IS HOPEFUL AN AGREEMENT FOR USE OF THE BASES EVENTUALLY CAN BE WORKED OUT WITH PANAMA. HERE ON A VACATION, HE IS LEAVING FOR THE ISTHMUS TOMORROW.

OFFICIALS OF THE UNITED STATES GOVERNMENT INDICATED THAT NO FURTHER ACTION WILL BE TAKEN BEFORE PANAMA'S PRESIDENTIAL ELECTION NEXT MAY 9, UNLESS SOME NEW MOVE IS MADE BY PANAMA.

THE 10-MILE WIDE CANAL ZONE PROPER, OWNED BY THE U.S. IS NOT INVOLVED IN THE DISPUTE. OUTLYING STRONG POINTS, LOCATED ON PANAMA'S OWN SOIL, ARE AT ISSUE.

FR316PES

DEC 1947

PHILADELPHIA, DEC.23-(AP)-THE 21-YEAR OLD ITALIAN GIRL WHO CAME TO AMERICA TO MARRY AN EX-G.I. ONLY TO LEARN HE HAD BEEN KILLED IN AN AUTOMOBILE ACCIDENT, WILL SPEND AT LEAST THE NEXT 90 DAYS IN THIS COUNTRY.

THE U.S. IMMIGRATION AND NATURALIZATION SERVICE MADE THIS DECISION YESTERDAY IN THE CASE OF MARIA FORMICOLA BUT IT WOULD NOT MAKE ANY OTHER COMMENT.

MISS FORMICOLA CAME TO THIS COUNTRY ABOARD THE LINER VULCANIA, EXPECTING TO MARRY JAMES MCINTOSH, 19, OF GUERRANT, KY. ON HER ARRIVA IN NEW YORK SHE WAS INFORMED MCINTOSH HAD BEEN KILLED A FEW HOURS BEFORE SHE SAILED FROM ITALY.

SHE HAD NO SPONSOR AND IMMIGRATION BARRIERS WERE AGAINST HER. FROM SCORES OF PERSONS CAME OFFERS OF ASSISTANCE. AT LEAST A DOZEN MEN WANTED TO MARRY HER--ONE A NEW YORK MUSIC TEACHER. OTHERS WANTED

30.24-14439

TO PROVIDE HER A HOME.

IN KENTUCKY, GOVERNOR EARLE CLEMENTS SAID "A GOOD HOME" AWAITS MARIA IN MCINTOSH'S NATIVE STATE. A KENTUCKIAN WHO HAS A FAMILY IS WILLING AND ABLE TO SPONSOR MARIA, HE SAID.

THE BLUEGRASS STATE EXECUTIVE SAID HE DID NOT WISH TO NAME THE FAMILY WILLING TO PROVIDE THE HOME BUT SAID ARRANGEMENTS HAD BEEN MADE TO POST THE NECESSARY $500 ADMISSION BOND FOR MARIA.

THE IMMIGRATION SERVICE, IN ANNOUNCING ITS DECISION, SAID THE BOND HAD BEEN POSTED BUT DECLINED TO SAY WHO POSTED IT.

WJ320AES

NEW YORK, DEC 23-(AP)-FEDERAL COURT ACTION WILL BE SOUGHT BY A HAYWARD, CALIF., LAW FIRM TO HALT THE NUERNBERG WAR CRIMES TRIALS AS A "FARCE" AND A "WASTE OF THE TAXPAYERS' MONEY," JOHN J. PURCHIO, A MEMBER OF THE FIRM, SAID YESTERDAY.

DEC 1947

PURCHIO RETURNED HERE BY PLANE SUNDAY FROM GERMANY WHERE HE AND ANOTHER ASSOCIATE OF THE FIRM -- FOLEY AND CARROLL -- REPRESENTED DEFENDANTS IN SEVERAL U.S. ARMY COURTS MARTIAL.

HE SAID CARROLL WILL RETURN SHORTLY AND THAT THE TWO WILL GO TO WASHINGTON TO FILE A WRIT OF PROHIBITION AGAINST THE NUERNBERG TRIALS. THE FIRM ALSO WILL SEEK A SENATE INVESTIGATION OF THE GERMAN PROSECUTIONS, PURCHIO SAID, ON THE GROUND THAT THE DEFENDANTS ARE BEING DENIED THEIR "BASIC LEGAL RIGHTS."

"WE AREN'T TRYING TO GET ANY OF THESE NAZIS OUT OF A JAM," THE CALIFORNIA ATTORNEY SAID, "BUT OUR CLAIM IS THAT IF AMERICA IS GOING TO PRETEND TO PRACTICE DEMOCRACY OVER THERE, THEN DEMOCRACY SHOULD APPLY IN THE COURTROOM TOO."

THE GERMAN BUSINESS MAGNATES, HE DECLARED, ARE PREVENTED BY THE WAR CRIMES COURT FROM USING "COUNSEL OF THEIR OWN CHOICE" AND ONLY PERMITTED TO EMPLOY GERMAN ATTORNEYS UNFAMILIAR WITH AMERICAN JURISPRUDENCE.

MK541AES

DEC 1947

NEW YORK, DEC.23-(AP)-THE NEW YORK POST SAID TODAY U.S. MILITARY EXPERTS, "OPERATING UNDER RIGID SECURITY REGULATIONS," ARE DRAFTING TENTATIVE PLANS FOR AN INTERNATIONAL ARMY TO ENFORCE UNITED NATIONS PARTITION OF PALESTINE. (THE AMERICAN U.N. DELEGATION AT LAKE SUCCESS SAID IT KNEW "NOTHING ABOUT IT.")

THE POST QUOTED UNNAMED SOURCES AS SAYING THE WORK IS GOING ON IN NEW YORK AND WASHINGTON, PARALLELING SECRET NEGOTIATIONS BETWEEN THE STATE DEPARTMENT AND VARIOUS NATIONS BEING ASKED TO CONTRIBUTE FORCES.

THE U.S. GOVERNMENT IS ACTING ON THE PROBABILITY THAT SOME NATION, POSSIBLY RUSSIA, WILL ASK THE SECURITY COUNCIL IN JANUARY TO DECLARE PALESTINE A THREAT TO INTERNATIONAL PEACE, THE NEWSPAPER SAID.

TROOPS WILL BE SOUGHT FROM AREAS FAR REMOVED FROM PALESTINE, THE NEWSPAPER SAID, ADDING THAT "SOME EXPECTATIONS STILL ARE ATTACHED TO SUCH TROOPS AS CHINESE NATIONALISTS, FRENCH SENEGALESE AND THE PHILIPPINE CONSTABULARY." THE PRINCIPAL ROLE OF THE UNITED STATES WOULD BE TO FURNISH ADVISERS OR SUPPLIES AND TRANSPORT, IT ADDED.

W203PES

LAKE SUCCESS, DEC. 23-(AP)-DEPORTATION PROCEEDINGS AGAINST A GREEK COMMUNIST CORRESPONDENT ACCREDITED TO THE UNITED NATIONS WERE POSTPONED TODAY AS U.S. OFFICIALS WEIGHED THE POSSIBILITY THAT THE ACTION VIOLATED AN AGREEMENT WITH THE U.N.

THE ISSUE WAS RAISED BY U.N. SECRETARY GENERAL TRYGVE LIE, WHO DISPATCHED A TELEGRAM LAST NIGHT TO WARREN AUSTIN, CHIEF U.S. DELEGATE, CALLING ATTENTION TO A PROVISION IN THE AGREEMENT UNDER WHICH THE UNITED NATIONS HEADQUARTERS WAS ESTABLISHED HERE.

THE AGREEMENT PROVIDES THAT NO CORRESPONDENT ACCREDITED TO THE WORLD ORGANIZATION SHALL BE COMPELLED TO LEAVE THE UNITED STATES UNTIL THE U.N. SECRETARY GENERAL HAS BEEN CONSULTED. POINTING OUT THAT HE HAD NOT BEEN NOTIFIED IN ADVANCE OF THE DEPORTATION PROCEEDINGS, LIE WIRED AUSTIN:

DEC 1947

"WOULD APPRECIATE PROMPT CONSIDERATION IN CONFORMITY WITH ... HEADQUARTERS AGREEMENT."

LIE'S ACTION ALSO WAS EXPECTED TO DELAY DEPORTATION PROCEEDINGS PENDING AGAINST AN INDIAN CORRESPONDENT ACCREDITED TO THE U.N.

LIE ACTED AFTER RECEIVING A MESSAGE FROM THE GREEK CORRESPONDENT --NICHOLAS KYRIAZIDIS--ADVISING THAT HE WAS BEING DETAINED AT ELLIS ISLAND FOR DEPORTATION "ON CHARGES CONCERNING ONLY MY POLITICAL AFFILIATION."

W.F.WATKINS, DISTRICT DIRECTOR OF THE JUSTICE DEPARTMENT'S IMMIGRATION AND NATURALIZATION SERVICE, SAID KYRIAZIDIS HAD BEEN ARRESTED LAST THURSDAY UNDER AN IMMIGRATION WARRANT CHARGING HIS "BELIEF AND MEMBERSHIP IN AND AFFILIATION WITH AN ORGANIZATION ADVISING, ADVOCATING AND TEACHING THE OVERTHROW BY FORCE AND VIOLENCE OF THE GOVERNMENT OF THE UNITED STATES."

THE STATE DEPARTMENT IN WASHINGTON SAID IT HAD OFFERED NO OBJECTION TO THE ARREST OF KYRIAZIDIS. PRESS OFFICER REGINALD MITCHELL SAID THE GREEK JOURNALIST HAD OBTAINED PERMISSION TO ENTER THE U.S. BY CONCEALING MEMBERSHIP IN THE COMMUNIST PARTY WHEN HE APPLIED FOR A VISITOR'S VISA.

LIE SAID KYRIAZIDIS IS AT PRESENT ACCREDITED BY THE U.N. AS CORRESPONDENT FOR THE NEWSPAPER DEMOKRATIS OF NICOSIA, CYPRUS.

THE IMMIGRATION SERVICE HAD PLANNED TO HOLD A HEARING TODAY TO DETERMINE WHETHER KYRIAZIDIS WAS SUBJECT TO DEPORTATION, BUT A U.N. SPOKESMAN SAID HE HAD BEEN ADVISED THAT THE HEARING HAD BEEN POSTPONED.

THE SPOKESMAN SAID THAT AT THE TIME LIE INTERVENED IN THE YRIAZIDIS CASE HE HAD NOT BEEN APPRIZED THAT SIMILAR PROCEEDINGS WERE PENDING AGAINST AN INDIAN CORRESPONDENT, SAYED S.HASAN. HE ADDED, HOWEVER, THAT LIE WOULD FOLLOW THE SAME PROCEDURE IN THE INDIAN'S CASE.

HASAN TELEGRAPHED LIE LAST NIGHT FROM ELLIS ISLAND SAYING:

"ARRESTED BY U.S. AUTHORITIES. AM ACCREDITED NEWSPAPER CORRESPONDEN FROM INDIA AT U.N. PLEASE INTERVENE AGAINST INFRINGEMENT OF PRESS RIGHTS."

DEC 1947

U.N. OFFICIALS SAID HASAN WAS ACCREDITED SEPT. 15 TO THE PEOPLE'S AGE OF BOMBAY. HIS ACCREDITATION EXPIRES IN JANUARY.

FULL DETAILS CONCERNING THE PROCEEDINGS AGAINST HASAN WERE NOT MMEDIATELY AVAILABLE. A STATE DEPARTMENT OFFICIAL, HOWEVER, SAID THE INDIAN WAS BEING HELD BECAUSE HE HAD COME INTO THE COUNTRY ON A STUDENT'S VISA BUT HAD NOT ATTENDED ANY SCHOOL.

VS404AES

END FOR DEC 23/47

30.24- 14441

Insincere States Block Peace, Says Pope

DEC 1947

Vatican City, Dec. 24 (AP)—Pope Pius XII, in his annual Christmas message, declared today that a "policy of insincerity" among nations was blocking the path to peace and called for a "league of honest men" to safeguard the world against war.

The pontiff specifically blamed "a growing tendency toward insincerity" for collapse of the recent Foreign Ministers Conference in London, which he said had left the world "further than ever from the true peace."

He sharply condemned those nations which, he said, had adopted "the lie and the garbled word" as "accepted weapons of offensive" in an effort to "win at any cost the battle of class interest and theories, of ideologies and power politics."

Viewed As Rebuke To Reds

The Pontiff named no names in placing the blame for the present state of world affairs, but his 4,400-word address contained many passages which Western listeners, at least, interpreted as condemnation of communism and of the postwar policies of the Soviet Union.

Toward the end of his address, he appealed for "hope and confidence," saying:

"Over this Christmas a dark cloud is gathering. As the people's anxious yearning for peace grows more intense, the inability of their leaders to satisfy it by merely human means is just as apparent.

Pictures "Dangerous Game"

"Do not the honest efforts of some to arrive at an equitable peace, and the systematic planning of others to prevent its fulfillment, bring perchance to the mind the picture of a dangerous game of chance of which the stakes are a fortune or ruin?"

The Pope told the opponents of Communist penetration that their first task was the elimination of human suffering left by the war, explaining:

"It is obvious that a Europe shivering and feverish from economic difficulties and social chaos yields more readily to the seductions and illusions of a fatuous ideal state than a healthy Europe with her vision clear."

"Farther From Real Peace"

Speaking of the "gravity of the crisis," the Pontiff declared:

"Its possibilities for good and evil are immeasurable, its issues unpredictable."

He said Europe and the world "today are farther from real peace, farther from complete and definite recovery, farther from a new order based firmly on agreement and justice, than ever they were before."

The Pope spoke from his apartments in the Apostolic Palace and his address was broadcast to the world by the Vatican radio and Italian stations. It was to be rebroadcast in twelve languages today and tomorrow.

Despite a cold, which forced him to cancel the traditional ceremony of receiving Christmas greetings from the College of Cardinals, the Pontiff was in good voice as he delivered—for the second successive year—a strong appeal for peace and an attack upon the men and policies obstructing its achievement.

Sees Net Loss In Past Year

"After another postwar year charged with miseries, sufferings, delusions and privations," he said, "whoever has eyes to see and ears to hear must be arrested at sight of this dolorous and humiliating fact:

"Europe and the world today are further than ever from the true peace, from a full and perfect healing of their ills, from establishment of a new order in harmony, equilibrium and justice.

"The promoters of negation and discord, together with all the army of those profiting thereby who follow in their train, rejoice at the thought of the illusion that their hour is near," the Pope continued.

Cites "Titanic Struggle"

"The friends of peace, the promoters of a stable reconciliation among peoples, have on the other hand their hearts constrained by anguish at the contrast between the moral and social richness of the good story of Bethlehem and the misery of a world far removed from Christ."

The Pope spoke of the "titanic struggle between two opposing spirits" now going on in the world and declared that hate united one faction while love welded the other into "a vast league" for good.

Insincerity and the want of regard for the truth, he said, "have today been erected into a system elevated to a degree of strategy in which the lie, the misrepresentation of words and facts, and deceit have become a classic offensive arm, which some manage with skill and are proud of their skill."

Warns Of Worse "Tomorrow"

These forces, he added, have mastered "the modern technique in the art of forming public opinion, of directing it, of bending it to the service of their policy, resolved as they are to triumph at all costs."

The Pope spoke for 38 minutes. Not once did his voice falter. On the other hand, it appeared to grow stronger as he went along.

He was particularly forceful as he warned Catholics that those who today oppressed "dignity and human liberty" would proceed tomorrow to the "suppression of all healthy and independent religious activity."

The church, he said, is faithful to the maxim of Matthew that "he who is not with me is against me," and must not fail in its duty of "denouncing error and unmasking the fabricators of lies" who present themselves "as wolves in lambs' clothing."

Pained By Parley's Collapse

Asserting the impartiality of the pontificate, the Pope said he saw with pain how "hostile propaganda" distorted his thoughts and words. He blamed this on "the same duplicity" chosen as "the most penetrating army against justice and truth."

The Pontiff's voice filled with emotion as he declared that the collapse of the London Conference of Foreign Ministers was a "tangible result of this mistrust" pervading the world.

He said sadly that the conference had adjourned "without having taken those essential and decisive steps along the road to peace for which the world in its anguish is waiting."

Peace "Requires Sacrifices"

The winning of the peace, he said, requires sacrifices as great as the winning of the war, "since there is nothing more difficult for convulsed and embittered human nature than to forego reprisal and lay aside unforgiving rancor."

"The injustice and cruelty committed by those who unleashed the Second World War aroused waves of righteous indignation but served, alas, at the same time, to develop the seeds of a natural inclination for revenge," the Pope continued.

While the "saner portion of mankind" denounced Nazi excesses and atrocities, he said, it failed to counteract "this degeneracy with its own moral superiority."

Cites "Forced Migrations"

As evidence of this, the Pontiff cited specifically the "forced migrations and compulsory hard labor" which—without naming any guilty nation or nations—he said had followed the war.

On this Christmas the Pope appealed to "all honest men" to unite for "the rehabilitation of the world."

Those who oppose them—and "their mere word has considerable weight in hastening or impeding the peace of Europe"—are perhaps afraid, he said, that "if Europe were to recover her strength and become conscious once more of her Christian mission she would wish to rid herself of the deadly germs of atheism and revolution and live a life of her own, free from unhealthy foreign influence."

Makes Plea To Italians

Some listeners saw a condemnation of Italian Communists in the Pope's assertion that here in Rome, "on the sacred soil of a city where God has established the chair of Peter, the emissaries of a concept of life and human society based on atheism and violence . . . are doing their utmost to convince her sons that they have discovered and set up a new culture more worthy of man than the ancient and eternally youthful Christian civilization."

He called on Romans to arouse themselves and "take up the arms of faith and courage" to "preserve the city, civilization's mother, from religious, moral and social deterioration such as might render very difficult, to our keen regret, that solemn celebration of the coming holy year (1950) desired by Catholics the world over."

Pope Discerns 'Sinister Light' Of Next War

DEC 19

Fears Epic Struggle For World Mastery; Scores Communism

Vatican City, Dec. 24 (AP).—Pope Pius declared today that "already which the lie, the garbled word or fact, and trickery have come to be the accepted weapon of offense which some people wield with the skill of professionals, boasting even of their competence."

The Pope declared that "hostile propaganda" was distorting his own words and thoughts and "hindering the peaceful exchange of ideas."

He said this "tournament of 'insincerity'" had wrought the havoc of producing such distrust in the world. One of its tangible results, he continued, was the failure of the Council of Foreign Ministers in London to reach "those essential and decisive steps along the road to peace." Here he spoke with obvious emotion.

Feeble Europe an Easy Prey

Appealing for the forces of honesty and reconciliation to untie in their first task of "rehabilitation of the world" and elimination of suffering left by the war, he said:

"It is obvious that a Europe shivering and feverish from economic difficulties and social chaos yields more readily to the seductions and illusions of a fatuous Ideal State than a healthy Europe with her vision clear."

Alluding to those "whose mere word has considerable weight in hastening or impeding the peace of Europe . . . and who follow a course directly opposite," the Pope declared:

"They are afraid, perhaps, that if Europe were to recover, regain her strength and become conscious once more of her Christian mission, she would wish to rid herself of the deadly germ of atheism and revolution and live a life of her own, free from unhealthy foreign influence."

Unmasks "Imitators of Herod"

Obviously referring to Italy's recent Communist-led strikes, the Pope said even "on the sacred soil of the city where God has established the chair of Peter, the emissaries of a concept of life and human society based on atheism and violence" had sowed "cockles in the good earth of Rome."

The Pope declared the church must "tear the mask from the 'forgers of lies' who come forward as wolves in sheep's clothing as founders and pioneers of a new golden age."

The "modern imitators" of Herod, he warned, would "move Heaven and earth to conceal their real purpose from the masses," but "once they have won power and feel the reins securely in their hands, little by little they let fall the veil and pass by successive stages from oppression of the dignity and liberty of man to abolition of all authentic and indipendent religious life."

Deplores Palestine Bloodshed

The Pope deplored that Palestine had become a place of division and bloodshed, and that "forced migrations and compulsory hard labor" had continued after the war.

Although declaring "over this Christmas a dark cloud is gathering," he nevertheless ended his message with "an irrepressible appeal for hope and confidence."

the sinister light of a new conflict flashes on the horizon" despite the world's anxious yearning for an end to wars. He urged all Christendom to pray and work that 1948 be a year of rebirth and peace.

In a Christmas Eve message, broadcast from his bed because of a chest cold, the Pontiff spoke in terms that vibrated with apprehension at what he said was a "titanic struggle between the two forces now competing for the mastery of the world."

The Pope took as forthright a stand as he ever had adopted in his pontificate in urging "all honest men" to league against what he said was a system of "insincerity" which is arraying the world in distrustful groups.

Seen as Denunciation of Soviet

Nowhere in his address did he name those whom he listed as foes of peace but listeners accepted several passages as a condemnation of communism and the Soviet.

Those who give their support to parties which "deny God," he said, were close to being "deserters and traitors."

He identified the two forces arrayed against one another as "the

DEC 1947

champions of negation and disagreement" who he said are jubilant at the thought—or the illusion—that their hour is near," and the "friends of peace, the promoters of lasting reconciliation" who he said are anguished when they compare the message of Bethlehem with the world's present misery.

Liars Boast of Their Skill

"Europe and the wide world have reached a turning point in their destiny," he declared. "The gravity of the crisis is unquestionable, its possibilities for good or evil immeasurable, its issue unpredictable."

Insincerity and lack of honesty, he continued, have been "raised to the distinction of a strategy in

Pope's Christmas Message

DEC 1947

VATICAN CITY, Dec. 24 (AP).—The official English-language text of the Pope's Christmas Eve message to the world:

The feast of Christmas and the new year close at hand bring with them certain signs which point a warning finger toward the days to come.

The customary greetings exchanged at this season, which ascend to heaven in a cloud of incense and of prayer, cannot and will not, for all the deep and sincere affection prompting them, allow us to lose sight of the condition which confronts us at the present hour, when Europe and the wide world have reached a turning point of their destiny. The gravity of the crisis is unquestionable, its possibilities for good or evil immeasurable, its issue unpredictable.

When last year on this same occasion we addressed our Christmas message to the Catholic world, and to all men of good judgment and good will besides, who could have had it in his heart to predict for humanity, tired of war and hungry for peace, what has today become a cruel, undeniable realty?

Christmas bells will still ring in the feast, as from the days of old. But for many closed, embittered and tormented hearts they ring out in the desert, where they wake no living echo any longer.

Now that another post-war year has passed, with its burden of distress and suffering, of disillusionment and privation, those who have eyes to see and ears to hear cannot but be pained and humiliated by this: Europe and the world—even to distant and tormented China—today are farther from real peace, farther from complete and definite safety, farther from a new order based firmly on agreement and justice, than ever they were before.

The champions of negation and disagreement, with the long line of profiteers in their train, are jubilant at the thought—or the illusion—that their hour is near.

Contrariwise the friends of peace, the promoters of a lasting reconciliation between the peoples of the world, feel the twinge of anguish in their hearts when they compare the moral and social wealth of Bethlehem's "good tidings" with the misery of a world that has wandered far away from Christ.

Paradox of the Times

But genuine Christians, for whom the whole of life, the source of all its lights and worth, consists in "thinking with the Church," perceive and realize better than any one else the meaning and value of times like ours; times of dense darkness, but of blinding light as well; where the enemy of Christ reaps a vast, tragic harvest of souls, but many also of the good are leading better lives; where generous hearts can scale victoriously the peak of heroism, while numbers of the tepid and the faint of heart, slaves of human respect and afraid of sacrifice, slip into mediocrity or sink into the vile depths of degradation, like these who "neither rebels proved, nor yet were true to God but for themselves were only." (Dante, 'Inferno').

In the titanic struggle between the two forces now competing for the mastery of the world, if hatred is all that is needed to marshal under the leadership of the evil one men who would seemingly have every ground to disagree, what could love not accomplish toward uniting in a world wide league those whose high purpose, noble instincts and community in suffering have drawn together by ties stronger and more intimate than any difference or divergency which could keep them apart? To the millions who are disposed to become members of this world alliance, the charter of which is the message of Bethlehem and its unseen head the king and peacemaker who lies before us in the manger, we direct at this juncture our heartfelt appeal.

The brand on the brow of one generation, and the source of its disruption and decadence, is the tendency, every day more obvious, to "insincerity," a lack of honesty, and this not merely as an occasional expedient, or of obstacles unforeseen. No. Today it amounts practically to a system. It has been raised to the distinction of a strategy, in which the lie, the garbled word or fact, and trickery have come to be accepted weapons of offense, which some people wield with the skill of professionals, boast ing even of their competence. So clearly, as they view it, has the suppression of all sense of right and wrong come to be part and parcel of modern technique in the art of forming public opinion, of controlling it and making it serve their political ends. For they are bent on winning at any cost the battle of class-interest and theories, of ideologies and power politics.

Point Out Dangers

We do not propose to describe here in detail the havoc wrought by this tournament of "insincerity" in public life. But we are in duty bound to open the eyes of Catholics all over the world—and of all others besides who share our faith in Christ and a transcendent God—to the dangers with which this prevalence of falsehood presents for the Church and Christian civilization, for the entire religious and even merely human heritage which has supplied the peoples for the world with the substance of their spiritual life and of their real greatness for the past 2,000 years.

When Herod of old was plotting anxiously to slay the Babe of Bethlehem he did his plan under a pious mask, and tried his best to make the honest men into unwitting spies. Likewise today, his modern imitators move heaven and earth to conceal their real purpose from the masses, and make them the unconscious instruments of their designs.

But once they have won power and feel the reins securely in their hands, little by little they let fall the veil, and pass by successive stages from oppression of the dignity and liberty of man to abolition of all authentic and independent religious life.

Here, then, is the question we put to all honest men: How is humanity to recover, how can any "new order" worthy of the name emerge from the mistakes and agitation of this present hour of confusion, if confusion, if the lines which mark off friend from foe, yes from no, and faith from lack of faith are to be erased and moved about?

The Church, though her heart is ever full of love and sympathy for these erring souls, cannot fail to denounce error, in loyalty to her Divine Founder's declaration: "He that is not with me, is against me" (Matthew XII, 30). She cannot but tear the mask from the "forgers of lies" (Job XIII, 4) who come forward as wolves in sheep's clothing (Cf. Matt. VII, 15), as founders and pioneers of a new golden age. She cannot but warn the faithful not to let themselves be lured from the path of rectitude, or be deluded by fallacious promises.

Our position between the two opposing camps is exempt from every prejudice, from any preference for this or that people, for this or that bloc of nations, as it is foreign to any sort of temporal consideration. To be with Christ or against Christ: That is the whole question.

Each of the opposing sides believes itself contrained to this mistrust, as by a duty of elementary precaution. Obviously this very fact leads to the building of an immense wall which renders hopeless every attempt to bring to the bewildered human family the blessings of true peace.

Have we not had occasion, even during the last few weeks, to experience the tangible results of this mistrust? Have we not seen a most important conference of the great powers adjourn without having taken those essential and decisive steps along the road to peace for which the world in its anguish was awaiting?

Urges Return to Religion

There can be but one way out of the straits to which the cult of "insincerity" has brought the world: The return to the spirit and practice of straightforward honesty.

No one today—to whatever social or political movement or party he may belong—who wants to bring the weight of his convictions and his public acts to bear upon the present or the future destiny of nations, has any right to wear a mask, to appear to be what he is not, to avail himself of the strategy of the lie, of tension and of threats, in order to restrict the honest citizens of every land in the exercise of their just liberty and civil rights.

You will readily understand, then, how pained we are to see hostile propaganda distorting what we think and say, embittering men's hearts, hindering the peaceful exchange of ideas, and deepening the chasm which separates from us so many souls redeemed by the blood of the same divine and loving Saviour. At the bottom of it lies, unfailingly, the same identical duplicity, deliberately adopted and ruthlessly employed as the most incisive weapon with which to combat justice and truth, and hinder mutual understanding, reconciliation and peace.

The inevitable outcome of such a situation is the splitting of humanity into powerful and rival groups, whose highest law of life and conduct is a basic and invincible mistrust. Here is at once the tragic paradox and the curse of our time.

That is why we would remind you, dear sons and daughters, that we celebrate tomorrow the birth of Him from whose lips one day escaped the cry: "Veritas Liberabit Vos" (John viii, 32); The truth (which is His teaching) shall make you free. Never perhaps has this cry re-echoed so loudly as it does today in a world hungry for peace but forced to groan beneath the oppressive yoke of falsehood.

Let all Christendom, too, make answer—to Him who was made flesh He might be for all "way, truth and life"—in a prayerful plea that the truth may find its way back to the hearts of the rulers of nations, whose yes or no may determine the fate of the world. And with the truth may there shine out upon the earth no deceptive mirage, but Bethlehem's bright star of peace divine.

PART TWO

Those who were absolutely determined to win the war were ready for any sacrifice, even unto death. Those who sincerely wish to win the peace must be ready for sacrifices just as generous, since nothing is more difficult for convulsed and embittered human nature than to forego reprisals and lay aside its unforgiving rancor.

The injustice and cruelty committed by those who unleashed the second world war aroused waves of righteous indignation, but served, alas, at the same time, to develop the seeds of a natural inclination for revenge.

The saner portion of mankind —even among nations chiefly involved in the conflict—unanimously denounced the excesses and atrocities which a political system, falling into moral nihilism, not only practiced during the war which it provoked, but even dared to justify in theory. Facts and documents recently come to light have only served to confirm that those who sponsored and worked out this system are mainly responsible for the world's misery today.

Men of the post-war period could have easily confronted this degeneracy with their own moral superiority; unfortunately, in not a few instances they have let slip a golden opportunity. It must be admitted that the history of the world during the days and weeks and months immediately following the war was very far from being one of unmixed glory.

The punishment justly meted out to the chief culprits could have inspired Dante's pen with scenes for the "Inferno," but the great poet would have shrunk from depicting the reprisals wrought upon the innocent.

Forced migrations and compulsory hard labor followed later, defying the most elementary laws of humanity as well as the letter and the spirit of the rights of nations. Who, then, could be

DEC 1947

30.24- 14443

surprised that the sense of justice which had been rightly shocked at the sight of such deeds perpetrated by one side should also react similarly when it sees others commit them?

Refugee Problem

Who can measure what further moral domestic and social distress, what harm to the cultural and economic stability of Europe—and not alone of Europe—will be caused by the compulsory and indiscriminate displacement of peoples? What sorrow at present, what anguish for the future; only a broader vision, a wiser and more judicious policy on the part of those who hold the fate of the world in their hands, can provide a tolerable solution for an otherwise insoluble problem.

All honor then to those of every nation who shirk no privation or shun no labor to hasten the fulfillment of such a noble enterprise. Let them not be troubled at the contradictions and opposition they will have to meet and which precisely in these days seem to have grown more intense, in stimulating another war of nerves, provoking discord, reducing to naught the efforts of the champions of unity and peace. Let them be confident that the house is at hand—as we trust and ask in our prayers—when the King of Peace will grant victory to those who do battle for His cause with a right intention and with the weapons of peace.

PART THREE

The human race, then, will be powerless to emerge from the present crisis and desolation and to go forward to a more harmonious future unless it restrain and control the forces of division and discord by means of a sincere spirit of brotherhood uniting all classes, all races and all nations with the one bond—love.

We launch such an appeal to the entire world, today, the eve of Christmas, because we see this spirit of brotherhood in danger of being stifled and crushed: because we see selfish appetites getting the better of sound reason, and the cruel tactics of oppression and violence prevailing over loyal understanding and mutual respect, and the utter disregard for any consequent evils to the detriment of the zealous maintenance of public welfare.

The Church, whose maternal heart embraces all nations with equal affection, is following with great anxiety this new development in national and international conflicts.

When faith in God, the father of all men, begins to grow dim, the spirit of brotherly union also loses its moral foundation and cohesive force; and when the consciousness of a society embracing all men, as wished by God, and which includes reciprocal rights and duties, determined by fixed norms, begins to die out, there arise in its place a morbid hypersensitiveness to what divides, a ready propensity to overstate one's rights true or imagined, and a neglect at times thoughtless, but not for that reason less ruinous for the essential needs of others.

At this point, the way is open for the struggle of all against all; a battle which knows no other right except that of the strongest.

Our age, alas, has provided some sad examples of fratricidal war, resulting with relentless logic from the weakening of the spirit of brotherhood.

Crisis in Holy Land

Even the land which heard the hymn of the angels announcing peace to men, which saw the star of the Saviour shine forth, and where the Divine Redeemer died, crucified for our salvation, even that holy land with all its memories and shrines most dear to every Christian heart, is now divided and has become the scene of blood and strife. And Europe herself—the center of the whole great Catholic family—is she not perchance today a warning and an example of the plight to which the loss of the spirit of brotherhood can reduce a part of the world once so beautiful and flourishing? The wounds she suffered during the late war are still unhealed, and already the sinister light of a new conflict flashes on the horizon.

Oh, if all honest men were to unite together, how quickly would the victory of the brotherhood of men be realized and along with it the rehabilitation of the world. Such people already constitute a substantial element of public opinion, and show that they possess really human instincts, with political wisdom as well.

But there are others just as numerous whose mere word has considerable weight in hastening or impeding the peace of Europe — the necessary initial step toward world peace—and who follow a course directly opposite. Are they afraid, perhaps, that if Europe were to recover, regain her strength and become conscious once more of her Christian mission, she would wish to rid herself of the deadly germ of atheism and revolution and live a life of her own, free from unhealthy foreign influence?

It is obvious that a Europe shivering and feverish from economic difficulties and social chaos yields more readily to the seductions and illusions of a fatuous ideal state than a healthy Europe with her vision clear.

Meanwhile the propagators of such deceptive schemes spare no effort to make converts to their cause among the fanatics and the simple, whose aim in turn it will be to drag their people along the path of ruin that others have traveled before them, not from choice but because their civil and religious liberty had been systematically repressed.

Dangers to Rome

Have we not had occasion to see here, on the sacred soil of the city where God has established the chair of Peter, the emissaries of a concept of life and human society based on atheism and violence sowing cockles in the good earth of Rome, and doing their utmost to convince her sons that they have discovered and set up a new culture more worthy of man than the ancient and eternally youthful Christian civilization?

Since things have reached such a pass, the time has surely come for everyone who cherishes the human and spiritual heritage of his forefathers to rouse himself from sleep, take up the arms of faith and courage, and preserve the city, civilization's mother, from religious, moral and social deterioration such as might render very difficult, to our keen regret, that solemn celebration of the coming holy year desired by Catholics the world over.

If, however, the frank words we utter during today's celebration know no boundaries, they refer only to doctrines denying faith in God and Christ, and certainly not to the nations or groups of nations who are the victims of these doctrines. For these latter the Church ever cherishes the same constant love. Nay, the more they suffer the greater is her love for them. It is in the days of trial, rather than in untroubled hours, that men of all nations should realize that they are brothers. The real meaning, the lofty mission and the power to reconcile of this brotherhood has never been nor shall ever be extolled with such force as it was by "the first-born amongst many brethren" (Rom. viii: 29), who from Bethlehem to Golgotha preached by his example more than by his words that great and universal brotherhood of men.

Over this Christmas a dark cloud is gathering. As the people's anxious yearning for peace grows ever, ever more intense, the inability of their leaders to satisfy it by merely human means is just as apparent. Do not the honest efforts of some to arrive at an equitable peace and the systematic planning of others to prevent its fulfillment bring perchance to mind the picture of a dangerous game of chance of which the stakes are fortune or ruin?

Into the meeting places of men the spirit of evil creeps unnoticed, "the angel of the bottomless pit" (Apo ix, ii), the enemy of truth, the fomentor of hatred, the denier and destroyer of all sense of brotherhood, believing that his hour is nigh, uses everything at hand to hasten it. Nevertheless, we desire to end our Christmas message with an irrepressible appeal for hope and confidence.

Although faith in the Divine Redeemer prompts Christians to ponder everything in the light of the truth—ever ancient, ever new—of aged Simon's declaration concerning the child Jesus at the representation in the temple: "Behold this child is set for the fall, and for the resurrection of many . . . and for a sign which shall be contradicted" (Luke ii, 34). Still we know that the number of those who do not separate themselves from Christ by unbelief, who cling to Him, who are ready to give their lives for Him and who place in Him and in the resurrection their unwavering hope—we know that the number of these is great, that it is increasing and growing strong. We see them radiating energy and influence for good in every sphere of life. We see that other men of good will are joining them.

"Your Hour Is Come"

To you all, therefore, beloved sons and daughters, we say: Your hour is come.

At the assemblies of statesmen another unseen spirit presided as sovereign lord, the omnipotent God to whom nothing is secret and who holds in His hands the thoughts and hearts of men, to bend them as He wills and when He chooses; God, all of whose inscrutable designs are governed by His paternal love. But to fulfill these designs he wishes to make use of your co-operation. In the day of battle your place is in the vanguard fighting at the front. The timid and those afraid to come out in the open are very close to becoming deserters and traitors. He is a deserte and a traitor who would give his material support, his services, his talents, aid or vote to parties and to forces which deny God, which put might in place of right, and threats and terror in place of liberty, which make of lying, opposition and incitement of the masses to revolt so many weapons of their policy, thus rendering national and international peace impossible.

Let us bring ourselves back three hundred years, to a Europe torn by the horrors of the Thirty Years War. The year 1648 brought at least the message of peace, the dawn of restoration.

Pray and work to obtain from God the grace that the year 1948 may be for wounded Europe and for the nations torn by discord, a year of rebirth and of peace. So pray and work that after the rout of the spirit of darkness, the angel of the bottomless pit, the sun of justice may rise over the world, Jesus Christ our Lord, to whom the honor and glory in time and in eternity.

And now let our apostolic blessing, a pledge of divine grace and aid go out to all our beloved sons and daughters, those of this episcopal city of ours as of the whole world. But let it extend especially to those groaning under heavier weight of distress and pain; the sick, the poor, the unemployed; the homeless and all who are hungry and cold; for those bereft of freedom, family, country through the tragic happenings of a dreadful war, through other men's injustices or through their own past mistakes and faults and who feel the pang of discouragement and anguish all the more keenly at this holy season; to the prisoners of war not yet restored to their dear ones; to the refugees and the displaced; in a special way to those, particularly priests, suffering persecution, prison, exile, threats of torture and of death, simply because of their fidelity to God, to Christ, to the Church and to their duty.

Guerilla Leader Markos Forms Marxist 'State' in North Greece

Athens, Greece, Dec. 24 (AP).—The guerilla chieftain, Gen. Markos Vifiades announced by radio today the formation of an independent Communist state in the north.

The broadcast summoned members of ELAS, the military branch of the leftist national-resistance front known as EAM, to "take up arms" to support the "first provisional democratic government of free Greece."

Premier Themistokles Sophoulis declared the new Communist state probably would be recognized by Greece's pro-Soviet northern neighbors.

Should that come about, the pouring-in of arms and munitions to the support of the northern separatists would be facilitated.

Greek military men at Salonika

DEC 1947

said they believed the broadcas originated from a station in the Balkans, probably Yugoslavia.

Vifiades, who has been going under the name of "General Markos," was named prime minister and minister of war.

The other ministers in the new government were listed as:

John Joannides, vice premier minister of interior; Petros Roussos, foreign affairs; Militiades Porphyroyennis, justice; Vassilis Bartzokas, finance; Petros Kokkalis, health, social welfare and education; Dimitrios Vladas, agriculture; Leonidas Stringos, national economy and food.

All are Communists or EAM leaders. Stringos is a former editor of the suppressed Communist newspaper Rizospastos. Porphyroyennis, who was minister of labor in the liberation Greek cabinet, told a Communist meeting in France last summer that an independent state would soon be formed. Joannides is an old-line Communist. He is reported to have signed an agreement with Bulgarian Communists during the German occupation to cede Greek territory to Bulgaria. Roussos was the party's Near East representative in the Greek army and naval mutiny during the war. He is under a death sentence. Bartzokas was the Athens leader of the Communist revolution in 1944. Vladas is a member of the central committee of the party and headed the movement in Crete. Kokkalis is a former professor of clinical surgery at the University of Athens.

It was noticed here that Nicholas Zachariades, secretary general of the Greek Communist Party, was not mentioned in connection with the new government.

Some government quarters said the announcement was intended to bolster wavering morale of guerillas operating in the cold northern mountains.

However, an emergency cabinet session, and an immediate meeting of the United Nations Commission at Salonika were the first official reactions to the Communist move.

Foreign Minister Constantin Tsaldaris conferred with British Ambassador Sir Clifford Norton and United States Charge d'Affairest Karl Rankin and Dwight Griswold, administrator of United States, aid, tonight. Afterward he declared immediate preventive action should be taken by the United Nations to forestall further aggravation of the Balkan situation.

A separate radio announcement that the new state intended to create an air force attracted attention. The appearance of Communist planes in the current fight would mean they were operating from foreign bases.

Most foreign observers believed the situation would develop slowly, and any open foreign aid for the Communists would come in stages.

These informants said they did not believe Russia was ready for any "shooting war" and would restrain her satellites before the situation reached an exploding point.

Red State Set Up By Guerrillas, Greeks Hear

Athens, Dec. 24 (AP) — Guerrilla radio broadcasts proclaimed today the establishment of a Communist "Government" in northern Greece under Gen. Markos Vifiades and called on members of the Left wing ELAS to "take up arms."

Premier Themistokles Sophoulis said the vaguely located rump state likely would be recognized immediately by the Communist-dominated northern neighbors of Greece —Yugoslavia, Albania and Bulgaria. All three have been accused by a United Nations Commission of abetting the civil strife in Greece.

Predict Rout By Army

Greek military authorities have insisted the Communists could not hold a given area in northern Greece for 48 hours. One high military leader said the proclamation of a Communist state would lead to an early solution of the guerrilla problem because the army could wipe out the rebels in a frontal battle.

Only in rare instances so far have the guerrillas offered resistance to Greek Army movements. Their tactics are to retreat and infiltrate after the army leaves.

Vifiades Heads Set Up

The Athens and army radios which monitored the broadcasts said only vague details were given. Authorities in Salonika expressed belief the broadcast originated in Yugoslavia. Communist sources recently said the "Government" would be established in 300 wild mountainous square miles on the Albanian border around Konitsa.

Vifiades, long-hunted chief of the guerrillas, was reported to be the Premier and Minister of War.

The broadcasts said John Ionnides, old-line Communist in charge of undercover activities of the party for many years, was to be Deputy Premier and Minister of Interior. Ionnides was reported to have signed during the wartime occupation the "Petritsa agreement" with Bulgarian Communists, ceding Greek territory to Bulgaria.

Fugitive Named To Cabinet

P. P. Russos, one of the Communist leaders of the Greek army and navy mutiny in the Middle East during the war, was named Foreign Minister. He is under a death sentence imposed by a Greek naval court. Miltiades Popphyrogennis, Minister of Labor in a liberation Greek Cabinet which contained several avowed Communists, was named Minister of Justice.

Other announced Cabinet officers were Bartzokas, leader of the Communist revolution in Athens in 1944, Finance Minister; Cocalis, Minister of Welfare and Education, and Vladas, member of the Communist Central Committee and head of the Communist movement in Crete, Minister of Agriculture.

Tighten Link To Russia

The audible parts of the guerrillas' broadcasts said the state was "under guidance of the EAM and under action of the ELAS, the armed branch of the E.A.M. party. The account said the aim of the rump regime was to reaffirm the rights and freedoms of the Greek people.

A speaker said the "Government will be at . . .," but interference drowned out his voice.

Porphyrogennis was quoted as saying the Communist "Government" was established to tighten relations with Russia and other "democratic countries" and that first aims would be to hold elections and form a strong army. [Greece is the only Balkan state in which Russian influence is not dominant.]

Action "Not Important"

Foreign Minister Constantin Tsaldaris said after meeting with Greek Cabinet members that the establishment of the Communist Government clarifies the position of the Communist party and does not change the situation substantially. He said the Communist action was "not important" from an international point of view.

Sophoulis said that from the moment Greek neighbors to the north recognize the Communist Government, if they do, measures will be taken to protect the security of the state. These would include dissolution of the Communist EAM (National Liberation Front) party and the arrest of "dangerous persons."

Development Seen Slow

An authoritative source at the United States Embassy said no instructions had been issued to American citizens in Greece because the development was not considered serious. The informant said that should countries north of Greece give open aid to the rump regime instructions would be issued. He expressed the opinion that open aid would not come immediately, but possibly might develop in slow stages.

An attempt by the guerrillas to set up some sort of regime in opposition to the Athens Government long has been anticipated here.

Foresee Russ Aid

Vifiades, whom Greek troops have been unsuccessfully attempting to hunt down, announced through a guerrilla broadcast several months ago that he had assumed all authority in guerrilla-held areas pending establishment of a "provisional democratic government."

Athens observers have speculated that Russia and her Balkan satellites would immediately recognize any Communist "government" set up by Vifiades, thereby obtaining an excuse to extend military aid to the guerrillas.

London Calls Move Serious.

London, Dec. 24 (A. P.).—A Foreign Office spokesman said today that Great Britain regarded the formation of a Communist provisional government in northern Greece as "a serious development" and an indication that Greece's northern neighbors intended to aid the guerrillas.

Diplomats See 'Trouble' From Guerilla State

By The Associated Press

American diplomatic authorities predicted last night that the new Communist "government in northern Greece will cause trouble if it is recognized by Communist-dominated Balkan countries.

That might demand an early decision by the State Department on whether to increase American aid to Greece, officials said.

Formal recognition of the guerilla state by Yugoslavia, Bulgaria and Albania—or Soviet Russia—would enable those nations to claim the sanction of international law for supplying the rebels with arms.

Greek Envoy Sees Need For More Troops, Funds

New York, Dec. 24 (AP).—Sophocles Venizelos, special emissary of Greek Premier Themistokles Sophoulis, said today the Greek army forces will have to be increased and "will require extra funds."

He had just returned from Washington where he discussed Greek issues with State Department officials.

"What we have to do is to definitely close tight the 600 miles of Greece's frontiers to the north and then clean the country of the Andartes (guerillas" he said.

'Austerity' Bill To Drain Funds Of Frenchmen

Paris, Dec. 24 (AP)—The National Assembly sent to the upper legislative chamber today a drastic new "austerity" measure designed to help pay for the $2,000,000,000 reconstruction program by draining off funds of Frenchmen who make more than $3,780 a year.

The deputies passed the bill last night, 300 to 268, with the far Left —the Communists—joining the far Right—the followers of Gen. Charles de Gaulle—in opposition to the Government measure, which was entitled an "exceptional levy in the struggle against inflation."

Debate Slated Soon

The upper chamber, the Council of the Republic, was expected to begin debate on the bill within 48 hours. The lower chamber was scheduled to go to work on the French budget for 1948, calling for expenditures of 856,000,000,000 francs ($7,193,000,000).

The tax measure requires Frenchmen to buy 130,000,000,000 francs ($1,092,000,000) worth of Government bonds or pay that amount in taxes. The taxation will be a sliding-scale levy on those with an income of above 450,000 francs ($3,780) a year.

The funds will be used to help pay for a 230,000,000,000 franc ($1,930,000,000) reconstruction program. The remaining 100,000,000,000 francs ($838,000,000) in the extraordinary reconstruction budget under Finance Minister Rene Mayer's plans, will come from aid furnished by the United States.

One major purpose of the measure was to drain off excess purchasing power.

Bonds In Three Installments

The assembly backed up the new measure by authorizing the Government to issue special three per cent bonds redeemable in ten years. They would be issued in three installments, beginning January 15. Taxpayers liable to the provisions of the "exceptional levy" will have the option of buying bonds or paying taxes in a like amount.

The Government suffered several defeats in its efforts to drive the measure through the lower chamber, including the approval of amendments exempting farmers, large families, small business men and persons whose property was damaged in the war. These had the effect of cutting the amount to be raised from 160,000,000,000 francs ($1,340,000,000) to the 130,000,000,000-franc figure.

C. G. T. Discounts Rift

Says 'Immense Majority' Fails to Follow Anti-Red Faction Out

PARIS, Dec. 24 (AP).—The Bureau of the General Confederation of Labor (C. G. T.) declared today that the "immense majority" of its members have chosen not to follow the anti-Communist Workers' Strength Action which quit in protest against the recent Communist-backed strikes.

The bureau announced it had received communications from the Yugoslav and Polish trade unions expressing solidarity with the recent strikes. The Yugoslavs said they were sending ten carloads of oil and twenty carloads of sugar, the Poles 250 tons of sugar and 15,000,000 francs ($126,000) for the relief of former strikers.

AMG Broadcast Off For Day

Berlin, Dec. 24 (AP)—The American Military Government announced today that its weekly anti-communism information broadcast to the German people, entitled "Freedom versus Totalitarianism," will be omitted tomorrow because of Christmas, "but we will resume the campaign after Christmas."

30.24- 14445

Clay Sees Happier '48 Yule In Reich

DEC

Berlin, Dec. 24 (AP)—Gen. Lucius D. Clay told the Germans in the American occupation zone today that "the American people want to help you further in the reconstruction" which will permit a happier Christmas next year.

He said the Germans must "participate energetically" in the reconstruction.

"Present conditions do not permit you to have a merry Christmas," the United States military governor said. "I hope, however, that all families will celebrate the festival with a renewal of faith that peace on earth and good will toward men still is the true Christmas thought."

The official American Military Government newspaper, *Neue Zietung*, urged the people of western Germany not to let the failure of the London Conference of Foreign Ministers spoil their Christmas, but to "have patience and faith."

The newspaper said: "You are not alone—the peoples of the world are helping Germany." It listed shipments of millions of tons of grain to Germany from the United States, plus millions of gift relief parcels from American and British citizens.

Plead For PW's

Christmas Eve editorials in Berlin papers expressed regret that hundreds of thousands of German prisoners of war are still held in confinement by the victor nations. It pleaded for their early release and the early repatriation of displaced persons. [The United States alone has freed all its German prisoners.]

The official newspaper of the Russian-sponsored, Communist-controlled Socialist Unity party, however, devoted its Christmas Eve editorial to an attack on the Marshall plan and upon "the new warmongers, who want to be like the Nazis and whose headquarters is in the United States."

REDS BALL UP BALL

Berlin, Dec. 24 (A. P.).—Because of Russian withdrawal, the Allied Control Authority will not stage this New Year's annual Allied military ball, which in the past has been the top social event for toasting four-Power amity, official sources said here today. The reason the Russians gave, the informants said, was that they felt that "the New Year's season is better spent at home with families than at dances."

Participants recalled that vodka-quaffing Russian marshals, generals and military government employees attended the event in 1945 and 1946, and some stayed until the parties broke up at dawn.

Bulgaria Moves To Nationalize All Industries

DEC 194

Bill Offered in Parliament; Owners, Including Aliens, Promised Indemnification

SOFIA, Bulgaria, Dec. 24 (AP).—Minister of Industry Petio Kunin introduced in Parliament today a bill for the nationalization of private industrial enterprises throughout Bulgaria.

The bill would affect more than 7,000 industrial enterprises, only 450 of which employ more than fifty workers. The measure covers buildings, stores, machinery, equipment, warehouses, offices, transport, farms, productive livestock, dwellings and the like "serving the enterprises."

The bill describes as a saboteur "whoever enters into activities aiming to frustrate or hinder nationalization, or destroys, damages, conceals, removes or however diminishes the value of the property subject to nationalization, or submits to state organs incorrect or incomplete data covering such property." It provides punishment plus confiscation of all property.

Owners, managers, accountants and technical staffs of nationalized enterprises would be under "economic mobilization" for a period of six months under the terms of the bill.

Deputy Foreign Minister Vladimir Topencharov told a news conference a bill also would be introduced for the nationalization of banks, declaring the government could not allow banks to remain privately operated because they are so closely connected with the nation's economic life.

He said nationalization in Bulgaria will not mean confiscation, and citizens of foreign states whose property is involved will be indemnified. He added that foreign trade soon will become a state monopoly.

Mr. Topencharov said the enterprises which will not be nationalized are former German assets, now transferred to a big power (presumably the Soviet Union). These, he said, represent 7 per cent of the total value of all enterprises in the category to be nationalized.

He said the enterprises to be nationalized were placed under state control before the bill was introduced in order "to avoid any possible sabotage."

6000 Firms Taken Over By Bulgaria

DEC 1947

Red Regime Acts Pending Legislation To Nationalize Them

Sofia, Bulgaria, Dec. 24 (AP).—The Bulgarian government headed by Communist Premier Georgi Dimitrov has placed more than 6000 private industrial enterprises throughout Bulgaria under state control, pending action on legislation just introduced to nationalize them.

A government spokesman said today similar legislation to nationalize banking will be introduced and that foreign trade soon will become a state monopoly.

Property affected includes buildings, stores, machinery, equipment, warehouses, offices, transport, farms, working and productive livestock and "dwellings, etc., serving the enterprises and wherever found."

Deputy Foreign Minister Vladimir Topencharov said the government must take over banks because they are closely connected with other branches of economic life.

"Nationalization does not mean confiscation," Topencharov told a news conference. "Nationalized foreign citizens' participations in the enterprises will be correspondingly indemnified in the way in which owners of insurance companies were previously remunerated."

A total of 6100 enterprises have been listed for nationalization, of which 2813 represent "typical big industrial enterprises," Topencharov said.

Bulgar Bill Asks Seizure of Industry

Sofia, Dec. 24 (A. P.).—Minister of Industry Petio Kunin introduced in Parliament today a bill for the nationalization of private industrial enterprises throughout Bulgaria.

Deputy Foreign Minister Vladimir Topencharov told a news conference a bill also would be introduced for the nationalization of banks, declaring that the Government could not allow banks to remain privately operated because they are so closely connected with the nation's economic life.

Hungarian Churchmen Warned by Tildy

Budapest, Hungary, Dec. 23 (Delayed) (AP).—President Zoltan Tildy, a retired Calvinist clergyman, said in a Christmas message tonight Hungary would not tolerate "hinrance in the economic sphere by any church or representative of any church."

Some interpreted the statement as a warning to Roman Catholic Church leaders who have been critical of economic measures sponsored by Communists.

Reds Accuse Vatican Of Plotting Revolutions

DEC 1947

Moscow, Dec. 24 (AP)—A Brussels dispatch to the Communist party newspaper *Pravda* declared today the Vatican, inspired by United States military authorities in Rome, was plotting revolutions in Italy and France.

Pravda's correspondent in Belgium said he based the charge on "information coming to Brussels from Italy."

"It is intimated, for instance," the dispatch said, "that Vatican circles have in mind a plan of state revolution aimed at creating in Italy a so-called concentration government, participated in by all Right-wing groups headed by the Christian Democratic party.

"French Catholic circles, on instructions by the Vatican, are preparing a similar upheaval in France, designed to put General de Gaulle in power. Agents of de Gaulle established contact with Italian reactionaries.

Would Outlaw Reds

"The reactionaries seek to provoke democratic parties into stepping aside. Then they will outlaw them for 'instigating disobedience to authority and starting revolts.'"

[The Russian press uses "Communist" and "democratic" as synonymous terms.]

The dispatch added:

"It is also asserted that the subversive activity of the Vatican is inspired in every way by American military authorities in Italy.

Surplus Gear Involved

"There is also information to the effect that secret military dumps of the Vatican are located in monasteries and schools which receive American military equipment and material meant for Right-wing parties and de Gaulle agents.

"Besides this, the American military authorities in Italy have received special instructions from Washington to sell to the Vatican at the lowest prices all property which was designed for disposal after the evacuation of American troops in Italy."

The article said Vatican representatives had profited by the sale of such equipment to the population "at black-market prices" and that the money "goes toward financing the reactionary press of Italy and France, which conducts propaganda against democratic forces of both countries under Vatican direction."

SOVIET ABANDONS V-E DAY AS HOLIDAY

London, Dec. 24 (A. P.).—The Moscow radio announced today that Russia has abandoned the anniversary of V-E day as a public holiday. By decree of the Presidum of the Supreme Soviet, the day marking the Allied victory in Europe will henceforth be considered a working day, Moscow said.

In the Russian celebration this year the Soviet press declared the nation's intention to progress despite "the hate and underhand dealings of our enemies—the enemies of Communism." The army newspaper Red Star said that the Russians could have occupied Germany unaided and liberated France as well.

Friendship Vessel at Genoa

GENOA, Italy, Dec. 24 (AP).—The freighter Exiria, first American Friendship vessel to reach an Italian port, arrived at Genoa today and unloaded 200 tons of gift parcels from the United States.

Ireland to Lift Fuel Control

DUBLIN, Dec. 24 (AP)—Rationing and price controls will be lifted from soft coal and firewood in Eire beginning Jan. 1, the Government announced today. Controls will remain for the time being on anthracite coal and peat. The move followed the resumption of British coal exports to Eire about four months sooner than expected and the completion of shipment of more than 1,000,000 tons of American coal.

Bishop Enthroned

Nicosia, Cypress, Dec. 24 (AP)—Bishop Makarios of Kyrenia was enthroned today as Greek Orthodox Archbishop of all Cyprus.

Strife Thins Nativity Pilgrims

DEC 24

Bethlehem, Dec. 24 (AP)—Cold, rain-sodden winds swept the Judean hills today as Christmas Eve pilgrims, thinned to a handful by unceasing strife in the Holy Land, arrived in this birthplace of the Prince of Peace for traditional observances.

Many of them came from Jerusalem, down the road over which Joseph and Mary passed nearly twenty centuries ago to seek and be refused shelter at an inn. Their goal was the sacred grotto of the Nativity, on the site of the stable where Joseph and Mary found a haven and where Christ was born.

Police On Watch

A few dozen Christian Arabs of Bethlehem turned out to watch the opening of the celebration in the Church of the Nativity. Police, armed with tommyguns, stood watch in the square about the site of the birth and in sandbag emplacements atop the ancient church, built over the site.

Minutes after the Latin Catholic celebrant, Apostolic Administrator Msgr. Vincent Gelat, entered the church, the leaden skies parted briefly and a pale rainbow was visible.

Crowd Is Diminished

Usually tens of thousands throng this hillside village, sacred to a third of mankind, for the Christmas Eve ceremonies, but today far fewer braved the hazards of communal strife to pray at the place where the manger was.

In the grotto, there will be constant prayers until the early hours of Christmas morning before the little marble altar which represents the straw-filled manger where the Baby Jesus lay. Services also will be held in other shrines in the Church of the Nativity and in the Franciscan Church of St. Catherine's next door.

The gray stone Church of the Nativity, built fifteen centuries ago and rebuilt by the Crusaders, stands peacefully today under Bethlehem's slate gray skies, a symbol of everything which Palestine is not. For peace does not abide in Palestine.

Soldiers To Attend

British soldiers, celebrating their thirtieth and last Christmas as a military power in the Holy Land, were expected to number several hundred in the Christmas Eve services. In other years there were thousands, but today most of them are on security duty, striving to stop the killing of Arab by Jew and Jew by Arab.

Protestants of half a dozen denominations hold their Christmas Eve services tonight in the open courtyard of St. George's Cathedral and the Greek Orthodox Convent, led by Anglican Bishop Weston Stewart. Gen. Sir Alan Cunningham, British high commissioner for Palestine expects to attend.

Troops Guard Road

The Catholic services will include Protestants singing Christmas carols and District Commissioner J. H. H. Pollock will represent the Government. The consular corps was expected to turn out in full dress for the midnight mass, to be conducted by Monsignor Gelat, 62, a Jaffa-born churchman, the first Arab in a hundred years to conduct Christmas services in Bethlehem.

The pilgrims' road home tonight will be lined by helmeted soldiers with tommyguns on the alert to prevent political murder from marring Christendom's holiest day.

Mayor Sends Message

Bethlehem's Mayor — blond and portly Issa Effendi Bandak—seized upon the occasion to give this message to the world:

"From the midst of the new troubles in the Holy Land the Christmas of Bethlehem call for peace. Could we but focus our eyes on the true undistorted light that came out of Bethlehem 2,000 years ago, this world would be a more harmonious and less troubled one."

5 Arabs, 2 Jews Die in Palestine, War Toll Is 314

DEC 1947

Nine Others Are Injured; Woman Hanging Clothes on Roof Killed by Sniper

JERUSALEM, Dec. 24 (AP).—Death took no Christmas holiday in the unhappy Holy Land today. Bullets killed five Arabs and two Jews, and at least nine other persons were injured.

The death toll since the United Nations General Assembly voted Nov. 29 to partition Palestine into separate Jewish and Arab states mounted to 314.

A bomb and grenades damaged a truck carrying Jewish prisoners from Jaffa to Tel Aviv. Four Jewish policemen were injured.

A spokesman for the Palestine government told a news conference the government will take all necessary steps, including more patrolling, to obtain complete safety on the main road from Jerusalem to Jaffa and Tel Aviv.

Woman Killed Hanging Clothes

This spokesman expressed the opinion that if the vicious circle of mutual reprisal actions between Jews and Arabs would end for at least two days, the situation would be much easier to handle.

Snipers' bullets killed a Jewish woman while she was hanging clothes on the rooftop of her Haifa home. A Jewish child and a Jewish man were wounded by the snipers before they were dispersed by Haganah, Jewish defense army.

Three Arabs of the Hanajra tribe were killed while plowing their fields in the Beersheba area when a party of Jews driving past in six vehicles opened fire.

A Jew was killed in the Hatiqvah quarter of the bloody borderland between Arab Jaffa and Jewish Tel Aviv. A first-aid ambulance arriving to remove the body was reported to have been shot at.

An Arab was shot dead in Haifa. Another Arab, who had been wounded last night in Jerusalem, died.

Won't Shift Arab Legion

A Jewish woman was wounded as sniping continued in the walled old City of Jerusalem, and a Jewish man was seriously wounded south of Tel Aviv.

Bullets from a speeding taxi seriously wounded an Arab service station oyner in Romena, Jerusalem suburb.

An official answered "no" at a government press conference today to this question: "In view of incidents recently involving Arab Legion troops, will the general officer commanding consider transferring these troops to the areas in which they are unlikely to be involved in incidents?"

The Jewish Agency has demanded repeatedly the immediate removal of Arab Legion detachments from Jewish areas of Palestine, and particularly from interurban roads essential to Jewish travel. The demands were reiterated after the Beit Naballa incident in which fourteen Jews were killed in a combat involving Arab Legion troopers.

Jews Kill 3 Arabs Plowing Fields

DEC 1947

Jerusalem, Dec. 24 (AP)—Three Arabs were slain this Christmas Eve while plowing and an official announcement said the killers were Jews.

Two Arabs and a Jew were killed elsewhere in the continuing communal conflict over partition of the Holy Land. Four Arabs and three Jews were wounded.

"Three Arabs of the Arab Hana Jra tribe were killed by shooting while they were plowing their fields in the Beer-Sheba area by a party of Jews driving past in six vehicles at 11 A.M.," the announcement said.

Palestine Toll 313

Beer-Sheba is a historical city about 45 miles south of Jerusalem.

The fatalities rose to 313 in Palestine and to 434 throughout the Middle East since November 29, when the United Nations decided to carve the state into Jewish and Arab nations.

Scattered sniping and shirmishes in Haifa were reported broken up by a charge of Hagana forces, the underground Jewish defense army.

Gunfire echoed through the old city of Jerusalem. An Arab was wounded by bullets from a speeding taxicab in suburban Romena.

Cairo, Dec. 24 (A. P.).—Abdel Rahman Azzam Pasha, secretary-general of the Arab League, said in a Christmas message to the Christian world today that "I pray God this Christmas will recall to the peoples of the world the principles of peace and mercy Christ taught."

Moslem Kashmir Drive To Employ War Planes

KARACHI, Pakistan, Dec. 24 (AP).—An officer of the Moslem "Provisional Government of Kashmir" said today its forces will be using warplanes soon against Indian Army units on the Baramulla sector opposite Srinagar, the capital.

Sardar Mohammed Ibrahim, the head of the "provisional government," has completed a deal for a number of planes, including Spitfires and Tempests, the informant said.

[Spitfires and Tempests are types used by the British Royal Air Force. Moslems from Pakistan's Northwest Frontier Province invaded Kashmir in October after the Hindu maharajah announced accession of that state to the Dominion of India. India flew troops to Kashmir to help the state troops combat the invasion and has announced that the raiders were turned back. The Moslem "provisional government" apparently was set up to claim jurisdiction over Kashmir for Pakistan.]

Death of 5000 Reported in Punjab

Lahore, Pakistan, Dec. 24 (A. P.).—The British-edited Civil and Military Gazette said today that nearly 5,000 refugees were reported to have died of exposure this month in three camps in the western Punjab. The camps, at Lahore, Kasur and Sulemanki, were maintained by the Dominion of Pakistan for Moslem refugees.

Burma Bans Private Military Training

Rangoon, Burma, Dec. 24 (AP)—The Burmese Government today outlawed private military training by independent bodies and associations. It specifically banned the maintenance of private armies by political groups.

In compliance with the order, the supreme headquarters of the People's Volunteer Organization, once the private army of the late Maj. Gen. U Aung San, called upon its members to cease military drill and parades.

HO PLANS APPEAL TO U. N.

Viet Nam President Says France Should Not Settle Problem

SAIGON, French Indo-China, Dec. 24 (AP)—Rebel leader Ho Chi Minh said that his Viet Nam Government, of which he is President, would take the case of Indo-China to the United Nations "if necessary," the Viet Nam radio said today.

The broadcaster quoted him as saying that it was not the business of France to settle the Indo-Chinese problem.

Yesterday, the French Government gave its High Commissioner in Indo-China, Emile Bollaert, full power to negotiate peace with anyone except President Ho. Observers considered "anyone" to be specifically Bao Dai, former Emperor of Annam, who has broken with President Ho and begun negotiations with the French. Annam is one of the five states of Indo-China.

Bao Dai left Hong Kong today on his way to Europe.

Bao Dai To Discuss Indo-China Freedom

Hong Kong, Dec. 24 (AP)—Bao Dai, former Emperor of the state of Annam, Indo-China, left by air today to discuss Indo-Chinese independence with French officials in Paris and London.

Aides said the trip was expected to end in Bao Dai's re-enthronement as Emperor of Indo-China. They said Nyugen van Xuan, president of the South Viet Nam Government, who arrived Sunday, signed an agreement of allegiance with Bao Dai.

The former Emperor, in exile two years, also will visit Switzerland, the Netherlands, Denmark and the United States. Intimates said he might seek an American loan.

DEC 1947

Lindbergh in Hong Kong

HONG KONG, Dec. 24 (AP).—Charles A. Lindbergh, arriving from the United States via Manila today, told newsmen his trip was "official Pan American Airline business." He asked that they report nothing more than his arrival. His schedule calls for his departure for Shanghai Friday, and a later visit in Tokyo.

MacArthur Calls for Labor

TOKYO, Dec. 24 (AP).—General Douglas MacArthur today ordered the Japanese government to see that sufficient labor is provided for work on a local housing project for dependents of occupation personnel. He said in a directive that the labor shortage was the result of "insufficient distribution of food and clothing rations, lack of transportation and financial difficulties of contractors due to delay in payments by the Japanese government."

Tokyo, Dec. 24 (AP)—Christmas clemency has been granted to 182 Japanese sentenced to prison terms by United States Army provost courts, the Army announced today.

War Crimes Court Recesses For Holiday

Tokyo, Dec. 24 (AP)—The International War Crimes Court recessed today for the Christmas holiday with its No. 1 defendant, Hideki Tojo, waiting to take the

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witness stand—possibly Friday or Saturday.

Chief Prosecutor Joseph B. Keenan said it would take a day, after the trial is resumed Friday morning, to conclude the crossexamination of Shigenori Togo, Foreign Minister in Premier Tojo's Cabinet at the time Japan plunged into war.

First Airborne Reinforcements Reach Mukden

DEC 1947

Government's Forces Get Aid in Manchuria as Fighting at City Spreads

PEIPING, Dec. 24 (AP).—The first airborne government reinforcements to reach Mukden since the Chinese Communists began their seventh offensive in Manchuria arrived today, as fighting raged in a wide area around the besieged city.

Other troops of General Fu Tso-Yi's command streamed north by land. Nationalist planes were transferred from China proper to join in the Manchurian battles.

Pro-government reports, possibly exaggerated, said more than 200,000 Reds were gathered at Sinmin, Changwu and Faku—west, northwest and north of Mukden—in an attempt to overrun those gateway cities.

The government indirectly conceded that Reds were astride the Mukden-Changchun railway by reporting a Nationalist pincer movement under way between Tiehling and Kayuan. Tiehling is forty miles northeast of Mukden and Kaiyuan twenty-five miles farther on.

The government reported capture of Changku, near Kaiyuan. It also said the Reds suffered setbacks in clashes around Sinlitun and Heishan, railway cities roughly seventy miles west of Mukden.

Just south of the Great Wall, Reds were reported to have destroyed a railway hostel, railway hospital and other buildings between Chinwangtao, once-thriving seaport, and Pehtaiho, summer resort.

Peiping, Dec. 24 (AP).—Troops of the North China Command were flown to Mukden today to meet the shock of the Communists' seventh Manchurian offensive rolling up on all sides of the city.

Others were pushing into Manchuria over snow-covered roads or by train. All are from the command of Gen. Fu Tso-yi.

Government planes also were moving north to counter the Communist offensive, which by possibly exaggerated progovernment accounts involved 200,000 Red soldiers.

A dispatch from Mukden said Gen. Lo Cho-ying, deputy commander in Manchuria, told newsmen there the city was in no danger because Mukden had plenty of soldiers to beat off any Communist assault.

Government reports said the Communists were repulsed at Heishan and Sinlitun, two railway towns 70 miles west of Mukden.

Might Not Occupy Mukden

[In Nanking, the Government's top military commentator told a news conference that "judging from the state of the present Manchurian offensive, the Communists will not attempt to occupy Mukden."

[Lieut. Gen. Teng Wen-yi said the Reds, rather than risk a direct assault on the heavily defended city, were concentrating their attacks on lightly held areas while striking at Government communication lines. He asserted that Communist thrusts against Mukden's outer defenses had been slowed by Government counterattacks.]

Public Apathy Greets China's New Charter

DEC 1947

Kidnapings Laid to Secret Service Cause Cynicism on Pledge of Freedom

By John Roderick

SHANGHAI, Dec. 24 (AP).—A well dressed Chinese youth was stopped by two unidentified men in midday on Shanghai's famed Bund, hustled into an automobile under protest and driven away. That was two weeks ago—but nothing has been heard from him since. His kidnapers, every one seems to agree, were government secret service men.

The incident is one of the boldest such strokes in recent months, comparable to snatching an American from a noontime crowd on Broadway.

And in the little Kiangsi town of Changshan, an old woman—the mother of the notorious Tai Li, long head of China's secret service, who was killed in a plane crash two years ago—still asks plaintively, "When will my son come home?"

She has been spared the shock of knowing he is dead, for his former associates write her letters in his name and say he is busy with important business in the capital.

These two incidents, unimportant in themselves, are reasons why the Chinese public regards with apathy tomorrow's proclamation of a new Chinese Constitution. Its first twenty-four articles guarantee the freedom and rights of the individual; but the Shanghai kidnaping and the legend of Tai Li's closely knit secret police offer little assurance of any real change.

Dr. Hu Shih, noted educator and former ambassador to the United States, said in a recent interview that China can have no real democracy as long as the secret police system continues. It is a hangover of the Kuomintang's (governing party's) early adoption of the Soviet Russian one-party rule.

All indications are that secret police have increased in number rather than decreased, despite the nearness of the new Constitution which purports to guarantee open arrest and open, speedy trials.

Disappearance of students and liberals still is commonplace throughout China. Outspoken opposition to the government is an unhealthy thing.

Outsiders who have studied the Chinese internal situation say no measure could bring greater reassurance to China's discouraged millions than complete abolition of such secret service methods.

Shanghai Consul Flying to U. S.

Shanghai, Dec. 24 (A. P.)—Monnett B. Davis, American consul-general in Shanghai, and Mrs. Davis left by air today for the United States.

China Sees $100,000 Lost On Feng's Errand

Nanking, Dec. 24 (AP)—Government spokesman Hollington Tong declared today China invested more than $100,000 (United States) in "Christian General" Feng Yu-hsiang's "water conservancy study" in the United States without receiving a single report.

Feng was ordered by Chiang Kai-shek to return to China by December 20. Feng said in New York that he would refuse to comply, remarking that his criticism of the Nanking Government "may result in an attempt to silence me by recalling me to China." He asserted that Chiang's order contradicted one from Premier Chang Chun, chairman of the Executive Yuan (cabinet) to continue his study another year.

Tong told a news conference Chiang acted for the state council, which, he said, approved continuance of Feng's mission for only six months beyond the original one-year term.

Philippines Seek Loans

Manila, Dec. 24 (AP)—The *Evening News* today quoted a Government source as saying a ranking official of the World Bank will arrive January 1 to confer on final details of the Philippines' application for a series of loans expected to total about $100,000,000. The source said the name of the bank official was not known here.

Filipinos Start Yule Prayers And Feasting

Manila, Dec. 24 (AP)—The Philippines turned wholeheartedly tonight to its most bountiful Christmastide in seven years.

Thousands of devout in this only Christian nation in the Orient streamed to churches. Afterward they will observe the traditional Buena Noche (good night) feasts. Tables will be loaded with food, even though rice sells for six times its prewar price; turkeys for $1.75 a pound and suckling pigs for from $20 to $25 each.

A modern note was planned for celebrations at United States air bases in the Philippines. Santa Claus was due to descend on Nichols Field in a 13th Air Force helicopter. At Clark Field, army children will receive presents from a Santa who travels in an L-5 scout plane.

Arms Ship Cancels Trip

VANCOUVER, B. C., Dec. 24 (AP).—Agents here for the Panamanian freighter Colima report the ship will not carry a $1,200,000 munitions shipment to China, as previously scheduled. An official of the Kingsley Navigation Company, Limited, the vessel's agents, said engine repairs to the Colima caused her to over-run the date for loading the cargo, which is now canceled. The ship's owners now seek a cargo which will take her to India.

U.S. Units Start Exodus From Panama

DEC 1947

Quarry Heights, Canal Zone, Dec. 24 (AP)—Caribbean Command headquarters said United States troops began withdrawing at daylight today from defense bases in Panama, which the republic's National Assembly refused Monday to lease to the United States.

The huge B-29 bomber base at Rio Hata and a chemical warfare testing site on San Jose Island, the largest of the fourteen bases involved outside the 10-mile wide canal strip, were the first to start evacuating.

The announcement said both planes and men were being moved from Rio Hata. Men were moved from San Jose.

Others Prepare To Leave

The other bases are comparatively small. Personnel and equipment in them were being made ready for withdrawal.

The evacuation orders were issued last night after receipt of instructions from Washington.

Lieut. Gen. Willis D. Crittenberger, commander of United States forces in the Caribbean area, said last night that he had been instructed by Washington to start withdrawal of the American troops at once. He said that orders for the evacuation would be issued immediately and put into effect without delay.

The City of Panama remained quiet, meanwhile, after two weeks of intense agitation which culminated in the assembly's rejection of the proposed lease agreement.

Both the city and Colon, however, remained out of bounds for United States Army and Navy personnel. The out-of-bounds orders were issued December 19 to prevent possible incidents growing out of public demonstrations against the lease agreement.

Talk Of New Canal Revived

Washington, Dec. 24 (AP)—The United States put plans in effect today for the immediate evacuation of troops from fourteen bases in Panama in the wake of a sudden policy switch involving the disputed defense sites.

The unexpected action followed the Panamanian Assembly's unanimous rejection of an agreement that would have given this country the right to use the war-built bases for periods of from five to 20 years.

Meanwhile, demands arose on Capitol Hill for survey work on a new canal. Senator Knowland (R., Cal.) suggested a new water route across Nicaragua and Representative Engel (R., Mich.) said there should be one "outside Panama."

The decision to withdraw entirely from the fourteen bases, including the huge B-29 bomber base at Rio Hato, was made known late yesterday after a top level huddle of government policy makers.

Attitude Changes Suddenly

There had been no previous inkling that the United States was contemplating any such step. In fact, officials earlier in the day had said flatly that this country would continue to occupy the bases on grounds that it possesses such rights until one year after World War II peace treaties are signed.

However, the State Department in formally announcing the decision noted the Panamanian assembly's unanimous rejection of the bases agreement and added:

"The necessary steps will be taken immediately with a view to evacuation of all sites in the Republic of Panama outside the Canal Zone where United States armed forces are now stationed."

Immediate Exodus Set

It said the withdrawal will be completed as quickly as possible "consistent with the number of personnel and the amount of material involved."

Later the army said the withdrawal would begin immediately. It said Lieut. Gen. Willis Crittenberger, Panama zone commander, had been asked for a report on how soon the evacuation can be completed.

An Administration official said this country felt it should give full recognition to Panama's sovereignty and to the overwhelming opposition of the Panama people to the agreement.

He added: "We feel it essential not to accept an agreement that is inadequate. It would be worse than no agreement and would lead to a false sense of security."

The United States, it was disclosed, scaled down its original demand for a 99-year lease to 20 years for the Rio Hato airbase and five years for the other 13 sites.

The Army now must fall back on its own defenses within the 10-mile-wide Canal Zone to defend the waterway. Its main airfield in the zone is Albrook Field, which is too small to accomodate any sizeable number of B-29's. The only other big airbase in the general Caribbean area is in Puerto Rico, over 1,000 miles away.

Withdrawal in Full Swing

PANAMA, Dec. 24 (AP) — Withdrawal of 1,278 United States military personnel from thirteen Panama Canal defense bases was in full swing today.

The first fifty troops arrived at Albrook airfield, within the ten-mile-wide Canal Zone, by transport plane from the bases on San José and Rey Islands.

Actually, only twelve bases are being vacated, since the Salud base—though technically held by the United States during the war—was an anti-aircraft station and never occupied.

United States Army Headquarters said all military property would be removed from the bases. At Balboa, William Stevenson, Panama representative of Pan American Airways, said he had obtained permission from the Panamanian Government to station Pan American personnel at Rio Hato, Rey and Taboga Islands to aid aircraft navigation, in compliance with civil aeronautics administration requirements.

MEXICO SUGGESTED AS NEW CANAL SITE

DEC

Senator Chavez Recommends Isthmus of Tehuantepec as Most Ideal Location

NICARAGUANS MAKE OFFER

Leaders Pledge All Needed Territory—U. S. Withdrawal From Panama Under Way

WASHINGTON, Dec. 24 (AP)—A new Atlantic-Pacific canal across the waistline of Mexico was proposed by Senator Dennis Chavez, Democrat, of New Mexico, today as the United States began pulling 2,000 troops out of strategic defense sites flanking the Panama Canal.

The withdrawal of the troops was necessitated by the refusal of Panama's Assembly to aprove an agreement extending United States wartime leases on the thirteen sites, which include a B-29 bomber base at Rio Hato, seventy miles from Panama City.

United States lawmakers, disquieted by the development, immediately began discussing the feasibility of digging a new interoceanic ditch somewhere else than Panama. Nicaragua and Colombia were among the suggested sites.

Senator Chavez, however, said the new channel for sea traffic ought to be driven across the Isthmus of Tehuantepec, the narrowest Mexican corridor between the two oceans.

"In my opinion," Senator Chavez told a reporter, "negotiations should be started immediately with Mexico to bring about the construction of a canal from Salina Cruz on the Pacific to Puerto Mexico on the Atlantic.

"The negotiations should be based upon a strict understanding that the sovereignty of Mexico would be respected and that what is being done is unselfish from all standpoints.

"I believe it can be accomplished if it is approached on intelligent, sound and unselfish grounds."

Senator Chavez said the Tehuantepec canal would be approximately 190 miles long, and that it could be built "economically and in a hurry" with modern construction methods.

He added that it would shorten the sea route from New York to the Pacific by 2,000 miles and would aid in the development of one of Mexico's richest regions.

Trade Parley Split On Quota Question

Delegates Meet in Secret on Issue of Restrictions

HAVANA, Dec. 24 (AP).—Heads of delegations to the Havana Trade Conference were called today into a secret meeting which may decide whether the world will have an International Trade Organization.

It was understood the meeting would discuss the crucial question of "QR"—quantitative restrictions—which has brought a crisis in the conference called by the United Nations to work out a proposed I. T. O. charter.

Yesterday delegates of the United States and France among industrialized countries, and Australia and Liberia among the "underdeveloped nations," warned of chaos which would follow if prohibitions were not accepted against quotas, licenses and similar restrictions upon international trade.

A number of cablegrams sent by delegations to their capitals, presumably asking for instructions, indicated that the address had had an effect upon the representatives of countries insisting upon permission to invoke "QR" against imports.

The United States, chief proponent of the tentative I.T.O. charter worked out by eighteen nations at Geneva and presented to the conference here, threatened that its gigantic economic power might "freeze out" smaller countries if the general ban on "QR" were not adopted.

Australia and Liberia warned of disastrous effects to small countries dependent upon one or a few articles of export if larger nations should adopt quota restrictions against their commodities.

A recess in the conference until Monday was expected to result from today's meeting.

DEC

Welles Accused on Sponsoring 'Insult' to Peron

By The Associated Press

The Argentine Ambassador yesterday accused Sumner Welles, former Undersecretary of State, of being a "sponsor" of a pamphlet "insulting" Argentine President Peron. Welles flatly denied it.

The Ambassador, Oscar Ivanissevich, made public a letter to Welles taking issue with a paragraph in a booklet issued by Americans for Democratic Action referring to Peron as "treacherous." He said he understands that Welles is "one of the sponsors" of ADA and the booklet.

Welles told a reporter he is neither a sponsor nor a member of the organization.

As to the publication, Welles said he, with others including Mrs. Franklin D. Roosevelt, indorsed the ADA's report on a "liberal foreign policy for the United States," but all of them did so "with the reservation that we did not necessarily approve of all details."

In fact, Welles said, he wrote a framer of the report and "specifically expressed my disagreement" with what it had to say concerning Peron.

To Ask U. N. to Change Rules

DEC

State Department Challenges Accrediting of Certain Foreign Correspondents.

Washington, Dec. 24 (A. P.).—The State Department will ask the United Nations to revise the rules under which foreign correspondents are admitted to the United States to cover U. N. sessions. This was disclosed today after the U. N. questioned American moves to deport as Communists two alien correspondents accredited by the U. N.

Without specifying what changes would be sought, the department said in a statement that an early conference with U. N. officials is desired to take up various phases of relations between this Government and the United Nations.

Deportation Proceedings.

The two foreign newspaper men against whom deportation proceedings have been started are Nicholas Kyriazidis, Greece, and Syed S. Hason of India. The immigration service contends that they are not legitimate, full-time correspondents.

Trygve Lie, U. N. secretary-the men.

In protesting Lie cited an agreement which the United States made with the U. N. "not to impose any impediment" upon accredited correspondents "to transit to or from (U. N.) headquarters district." The State Department's statement said that "we have adhered, not only to the letter, but to the spirit of this agreement."

Bona Fides Challenged.

Kyriazidis, the department asserted, ceased being a bona fide journalist on October 18, when the Greek Government suppressed the two Athens Communist papers which he represented. Its statement said:

"This Government, of course, has in no way yielded up its sovereign rights to challenge the bona fides of any alien journalist seeking to enter this country, or already in this country. It has in no way yielded its sovereign rights to investigate, to hold hearings, and to deport alien journalists or persons holding themselves as such if the circumstances warrant, while, of course, seeking to be as liberal as possible in any cases involving such aliens."

The statement said that the United Nations secretariat failed to communicate with the State Department concerning either of the correspondents until after deportation proceedings were started. It said that officials "learned with surprise" only this week that Hasan had been credited months ago as the correspondent of a Communist newspaper in Bombay, though State Department records show him to be a student.

Kyriazidis claims to represent a small weekly paper "of possibly several thousand circulation at most," the department noted, and added: "The department considers that the provision in the United Nations headquarters agreement concerning representatives of the press relates only to persons who come to this country for bona fide full-time newspaper work, and not to those who take up such work incidentally."

Proceedings Withheld.

Further deportation proceedings against Syed S. Hasan, newspaper correspondent who has been covering the United Nations here for a Calcutta newspaper, have been withheld to permit him to leave voluntarily on January 9, W. J. Zucker, acting district director of the United States Immigration and Naturalization Service, announced today. He is to sail on the Queen Elizabeth.

Hasan had been held at Ellis Island since Friday, but he was released yesterday in $5,000 bond. He told reporters that his detention had resulted from his political beliefs, and from the fact that he represented Communist newspapers. The American Committee for the Protection of Foreign Born, 23 West 26th street, said that its attorney had gone to Philadelphia today to the central office of the Immigration Service to request that Hasan be released.

A spokesman for the State Department said that deportation proceedings against Nicolas Kyriazidis, a Greek Communist accredited as a newspaper correspondent to the U. N., would be continued. Yesterday the Government adjourned a hearing against him at about the time his counsel obtained a writ of habeas corpus in the Federal District Court. The newspaper man is free on his own recognizance.

LAKE SUCCESS, Dec. 24 (AP)—The Philippines Republic has informed the United Nations that Senator Vicente Francisco will represent it on the United Nations Palestine Commission. Panama has appointed Eduardo Morgan, Denmark has named Per Federspiel and Czechoslovakia has appointed Karel Lisicky. Bolivia, the fifth member, has not named her representative.

DEC

TO FEAST U. N. AIDS

Binghamton, Dec. 24 (A. P.).—This city and two neighboring communities put the finishing touches on Yuletide decorations today in anticipation of the arrival of 175 United Nations employees for a three-day American Christmas holiday.

The group is scheduled to arrive here this evening by special train from New York city, 200 miles away. They will be welcomed at the station by carol singers of the Binghamton Junior Chamber of Commerce.

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The U. N. visitors who will stay in Binghamton and Johnson City homes will be met by members of the Rotary clubs of the two communities, and transported to the homes of their hosts by automobile. Thirty-five destined to spend the holiday with Endicott families will board a bus for that community to be greeted there by a village deelgation.

Triple Cities Host To U.N. Aides

DEC 1947

Lake Success, Dec. 24 (AP)—Shivering in a cold Long Island wind, 175 members of the United Nations secretariat left the headquarters building here at noon today carrying Christmas gifts for up-State holiday hosts they never have sen.

The party, including United Nations translators, secretaries, stenographers and typists from 35 coupntries, were described by a United Nations official as "the biggest mass blind date in history." Most of the travelers were women.

They boarded four chartered busses and began the first leg of their journey to Binghamton, N.Y., with a motorcycle police escort which took them through Manhattans' Christmas traffic to the Holland tunnel. In Jersey City, N.J, they were to board a special rain which would get them to their destination at 6.30 P.M.

Big Five Represented

All members of the big five natoons were represented with the exception of the United States.

The holiday travelers, all away from their native lands, accepted an invitation to spend their Christmas vacations as guests of residents of the up-State triple cities of Binghamton, Endicott and Johnson City. The invitation was extended as a gesture of appreciation for courtesies given American soldiers overseas during the war.

Major Jan Eisenhardt, of Denmark, chief of United Nations staff activities and welfare, described the holiday trip as "the biggest mass blind date in history." He is going along with his British assistant, Miss Joan Parker, to "iron out any little difficulties that might arise."

U. S. Assails Credentials Policy of U. N.

By The Associated Press

Charging the United Nations with laxity, the State Department proposed yesterday a "drastic revision" of the U. N. rules for granting credentials to alien news correspondents.

The department said in a sharply worded statement that the United States acted within its sovereign rights in seeking to deport two men accredited by the United Nations as correspondents. The deportation move was made on the ground that the men are Communists and not legitimate news reporters.

What revision in rules is desired was unstated but officials made clear the State Department wants a general tightening up, with the United States retaining the right to challenge the good faith of any alien accredited by the U. N.

A United Nations headquarters site agreement which Congress approved August 4 permits foreign Communist writers, who would otherwise be barred from the United States, to come to New York to report sessions of the United Nations. It calls for consultations in such cases by the United Nations with this Government. The State Department asserted today this was not done in the case of the two men whose deportation has been sought.

They are Nicolas Kyriazides of Greece and Syed S. Hasan of India. Proceedings against them in New York were postponed yesterday. Trygve Lie, U. N. secretary general, intervened in their behalf in a telegram to Warren R. Austin, United States chief delegate to the U. N.

The Justice Department said Hasan's attorneys have advised the Immigration Service at Philadelphia that Hasan will return home voluntarily on January 10. This will "end the matter" as far as Hasan is concerned, the department added.

In the case of Kyriazidis, the Justice Department said, he was released pending further investigation into his status by immigration authorities and the State Department.

Kyriazides, the State Department asserted, "ceased being a bona fide journalist at the United Nations on October 18, the date the Greek government closed the two Athens Communist newspapers which he represented." Without notifying Washington, a U. N. clerk gave him new credentials October 24 as correspondent for a weekly newspaper in Cyprus which the State Department contended was financially unable to pay more than a small part of the necessary expense of a full time correspondent.

Hasen was given a passport visa to come to the United States as a student, and the State Department said that "we learned with surprise this week that the United Nations had accredited him months ago as a correspondent."

"The department is ready at any time to designate a group of its officials to meet with U. N. officials to recommend to them a drastic revision of the U. N. system of accreditation of alien journalists. It is hoped that a meeting can be arranged at the earliest opportunity to discuss various phases of the relationships existing between this Government and the United Nations," the State Department said.

1523 GRANTED YULE PARDONS

DEC 1947

Men Convicted of Violating Draft Act Get Amnesty.

Washington, Dec. 24 (A. P.).—Presidential Christmas pardons restoring full citizenship rights are en route today to 1,523 men convicted of violating the wartime draft act, including some who contended they were conscientious objectors.

The lucky ones were culled from a list of 15,805 by an amnesty board headed by Owen J. Roberts, former Associate Justice of the Supreme Court.

Most of them have completed their sentences, but under a proclamation issued last night by President Truman they now will regain political, civil and other rights. These vary from State to State, but generally include the right to vote, hold office or obtain a license for the practice of law or medicine.

618 Others Were Freed.

Similar amnesty has been granted from time to time in the past to a total of 618 others who, after being sentenced, served at least a year in the Army.

Roberts and his associates, Attorney Willis Smith of Raleigh, N. C., and James F. O'Neil, National Commander of the American Legion, said approximately 10,000 of the 15,805 Selective Service violation cases were "willful violators." The balance included "4,300 Jehovah's Witnesses, 1,000 religious conscientious objectors and 500 other types."

The board said it rejected suggestions for a general amnesty, because many classed as willful violators had prior criminal records and others had "ulterior motives" for draft dodging which indicated they had little respect for civil rights.

Favorable Action.

The board ruled favorably on a number of Americans of Japanese ancestry, who refused to serve without full recognition of their citizenship rights. These, the report said, deeply resented wartime classification as undesirables.

In the case of Jehovah's Witnesses, who claimed exemption on grounds of "ministerial status," the board recommended pardons for those who, in its opinion, actually could be classified as ministers.

Truman Spends First Yule In White House

DEC 1947

Washington, Dec. 24 (AP)—President Truman, celebrating Christmas in the White House for the first time, had a merry greeting today for all who came his way.

He invited all White House employés, from maids to aides, into his oval office for a handshake and an exchange of the traditional "Merry Christmas."

He presented each of the 300 employés with red leather card cases bearing the presidential seal and inscribed:

"Merry Christmas from the President and Mrs. Truman, 1947."

Later, at 5.16 P.M., he will address the entire nation by radio after clicking on the lights decorating a huge living Christmas tree on the south lawn of the Executive Mansion grounds.

Scene To Be Televised

More than 15,000 persons were expected to witness the ceremony at first hand, and television cameras were to broadcast the scene for the first time.

The President's sister, Miss Mary Jane Truman, of Grandview, Mo., and Mrs. Truman's family are spending the holidays in the White House.

After breakfast tomorrow the Trumans and the Wallaces will gather around the family tree on the second floor to open their presents. Later, a turkey dinner, with the customary trimmings, will be served.

Mrs. Truman's mother, Mrs. David Wallace; her brothers, George and Frank, and their families from Independence, Mo., and brother Fred, of Denver, will all participate in the observance.

To Attend Services

Mr. and Mrs. Truman and their daughter, Margaret, spent the two previous Christmases in Missouri. The President made a point of flying home to be with his mother, Mrs. Martha E. Truman, who died last summer.

Mrs. Truman, Margaret, and the Wallaces plan to attend midnight church services tonight at a near-by Epsicopal church. Mr. Truman, a Baptist, will likely remain in the White House, since his church is not planning a similar service.

Press Secretary Charles G. Ross said Mr. Truman did not plan his usual official engagements today.

Tomorrow, Ross said, Mr. Truman has no plans "beyond spending a quiet day with his family and doing some reading."

Truman's Christmas Message

WASHINGTON, Dec. 24 (AP).—The complete text of the Christmas tree lighting speech today by President Truman follows:

My fellow countrymen:

We are met on the south lawn of the White House. Above the barren treetops rises the towering shaft of the Washington Monument. The scene is peaceful and tranquil. The shadows deepen and the Holy Night falls gently over the national capital as we gather around our Christmas tree.

Down the ages from the first Christmas through all the years of nineteen centuries, mankind in its weary pilgrimage through a changing world has been cheered and strengthened by the message of Christmas.

The angels sang for joy at the first Christmas in far-away Bethlehem. Their song has echoed through the corridors of time and will continue to sustain the heart of man through eternity.

Let us not forget that the first Christmas was a homeless one. A humble man and woman had gone up from Galilee out of the city of Nazareth to Bethlehem. There is a sense of desolation in St. Luke's brief chronicle that Mary "Brought forth her first-born son, and wrapped Him in swaddling clothes, and laid Him in a manger; because there was no room for them in the inn."

Homeless Christmas for Many

For many of our brethren in Europe and Asia this, too, will be a homeless Christmas. There can be little happiness for those who will keep another Christmas in poverty and exile and in separation from loved ones. As we prepare to celebrate our Christmas this year in a land of plenty, we would be heartless, indeed, if we were indifferent to the plight of less fortunate peoples overseas.

We must not forget that our Revolutionary fathers also knew a Christmas of suffering and desolation. Washington wrote from Valley Forge two days before Christmas in 1777: "We have this day no less than 2,873 men in camp unfit for duty because they are barefooted and otherwise naked."

We can be thankful that our people have risen today, as did our forefathers in Washington's time, to our obligation and our opportunity.

At this point in the world's history, the words of St. Paul have greater significance than ever before. He said:

"And now abideth faith, hope, charity; these three; but the greatest of these is charity."

We believe this. We accept it as a basic principle of our lives. The great heart of the American people has been moved to compassion by the needs of those in other lands who are cold and hungry.

Maintaining Tradition

We have supplied a part of their needs and we shall do more. In this, we are maintaining the American tradition.

In extending aid to our less fortunate brothers we are developing in their hearts the return of "hope." Because of our efforts, the people of other lands see the advent of a new day in which they can lead lives free from the harrowing fear of starvation and want.

With the return of hope to these peoples will come renewed faith—faith in the dignity of the individual and the brotherhood of man.

The world grows old but the spirit of Christmas is ever young.

Happily for all mankind, the spirit of Christmas survives travail and suffering because it fills us with hope of better things to come. Let us then put our trust in the unerring star which guided the Wise Men to the manger of Bethlehem. Let us hearken again to the angel choir singing: "Glory to God in the highest, and on earth peace, good will to men."

With hope for the future and faith in our Lord, I wish all my countrymen a very merry Christmas.

Names Of Jobholding Traders Promised

DEC 1947

Washigton, Dec. 24—Agriculture Department officials acknowledged today that 71 local, state and Federal employés were trading on commodity markets in September and promised to disclose the names soon.

Aides to Secretary Anderson also told a reporter that names of any public employés who have been dealing on the markets during the last two years will be made public as quickly as lists can be prepared.

There has been no decision, they added, as to whether the names of the 71 will be identified separately or included with other traders in lists being issued by the department.

The officials made their announcement after Representative MacKinnon (R., Minn.) said the department knew of the 71 and called on Anderson in a telegram to say who they are. MacKinnon said the public wants to know names of "those who might have inside information on Government purchasing programs."

His action coincided with a request by the Senate Appropriations Committee that five Government departments hurry up with reports on whether any of their officials have been gambling on commodity markets.

The committee is checking on allegations that "Government insiders" made use of official information to profit in commodity trading.

Refers To Testimony

MacKinnon said in a statement that J. M. Mehl, administrator of the Commodity Exchange Authority, told the Joint Congressional Committee on the Economic Report on November 24 that as of September 17 the 71 public employés were "long" on 384,000 bushels and "short" 131,000 bushels in the wheat futures market.

[A long trader in wheat futures is one who contracts to buy wheat at a certain price at a future date. A short trader is one who agrees to deliver it.]

MacKinnon said Mehl's information was based on an Agriculture Department report. He added:

"Since the Department of Agriculture has indicated that this information is in their possession, I call upon them to release the names of the 71 persons."

Named Only Pauley

Anderson made public Monday a list of 711 commodity-market traders and promised more names later. Only one Federal Government official—Edwin W. Pauley, an assistant to Secretary of Army Royall—appeared on the initial list.

The Secretary said at the time that subsequent lists may include some small-salaried clerks who were trying to supplement their earnings by trading in small amounts of grain.

Senator Knowland (R., Cal.) told reporters today that Royall is the only department chief to reply to the Appropriations Committee's request for information about any officials dealing on commodity markets. Royall's information, he added, was not complete.

Hopes For Early Results

The State, Agriculture, Commerce and Interior departments have yet to be heard from, Knowland said. He added that he has asked the committee staff to prod for action and hopes to get results next week.

Meanwhile, Chairman Andresen (R., Minn.) of a House special committee making a separate investigation of the same subject said his group is not going to rely heavily on reports from within the Government.

"Going Into Brokers' Offices"

"We're going to get Commodity Exchange records and going into brokers' offices on our own hook," he declared.

It was Royall's response to the Senate committee which led to the disclosure that Pauley held some 500,000 bushels of grain futures when he entered the department on September 3. Pauley said he was disposing of his holdings as rapidly as good business practice permitted.

Royall told the committee the department questioned about 300 employés in a position to gain advance information about grain purchasing, and that they all denied any market trading. Five acknowledged they owned or had interests in small farms which sold grain.

Plans To Subpoena Data

In addition to the department reports and a list of heavy traders being made public by Anderson, Knowland said, the committee "will subpoena such additional information as we believe is necessary to get all the facts."

The committee staff has asked the Civil Service Commission to help look for the names of Government employés or close relatives on the list of which Anderson made public the first installment Monday.

Cites Law's Provisions

Commenting on Anderson's first list, Andresen remarked:

"The people with inside information—the people who benefited from Government leaks—wouldn't speculate in such heavy volume because they know it would have to be recorded with the Department of Agriculture.

"But these insiders could buy as much as 195,000 bushels of wheat and there would be no report on it.

"Early last January they could have gone to a broker and bought 100,000 bushels of wheat at $1.90 a bushel and sold it in March at $2.70 a bushel. That would make a neat profit of $80,000, and the speculator's name would not be reported at all."

Act's Provisions

He referred to a provision of the Commodity and Exchange Act which requires operators to report transactions in a single market which involve as much as 200,000 bushels of grain, 5,000 bales of cotton, 250,000 pounds of lard or 25 carlots of butter, eggs or potatoes.

Emphasizing that his committee is authorized to subpoena both persons and records, the Minnesota lawmaker said:

"This is going to be a full and complete investigation, particularly into the effect of Government food purchases on the cost of food to the American people.

"We'll take in not only the grain exchanges but other markets such as cotton, fats and oils, and the whole broad picture of living costs."

2 Ships Bring Occupation Personnel

San Francisco, Dec. 24 (AP)—The Army transport General Freeman and the Army hospital ship Comfort dock here today, bringing home 2,176 military and civilian personnel for a stateside Christmas after service in the Pacific.

Soldiers on board the two vessels will be taken to Camp Stoneman and patients to Letterman General Hospital. Special Christmas entertainment is planned for all, said officials of the San Francisco Port of Embarkation.

Dr. Wassell Quits Post

DEC 1947

Back in U. S., He Says Hospital in Hawaii Is Too Commercial

LOS ANGELES, Dec. 24 (AP).—Dr. Corydon M. Wassell, missionary surgeon and hero of the evacuation of Java, debarked from the liner Matsonia here today and said he had quit his post with the Missionary Hospital on the island of Molokai, one of the Hawaiian islands, because it was "too commercial." He said he offered his services free of charge, but found that the patients had to pay for hospitalization.

The former Naval lieutenant commander, whose war experiences were filmed as "The Story of Dr. Wassell," said he planned to retire soon. He is sixty-three.

2 Named to Munitions Board

WASHINGTON, Dec. 24 (AP).—Stuart W. Cramer, of Charlotte, N. C., was appointed deputy chairman of the Munitions Board by Secretary of Defense James Forrestal, who also named Lieutenant General Leroy Lutes, director of the Army's service, supply and procurement division, as deputy chairman of the Munition Board's executive committee. Both appointments will be effective Jan. 5. Major General Henry S. Aurand, recently nominated for promotion to lieutenant general, will succeed General Lutes as supply chief.

Lamarre Takes Gas Job—'Needs Money'

Dayton, Ohio, Dec. 24 (AP)—Bleroit H. Lamarre, erstwhile business associate of Gen. Bennett E. Meyers, says he is working as a gasoline station attendant here because "I need the money."

Lamarre was president of Aviation Electric Company during the war, but he told a Senate investigating committee that Meyers made him "kick back" $27,000 of his $30,000-a-year salary.

Both Lamarre and Meyers are under Federal perjury indictments growing out of the investigation of the General's wartime activities as an Air Force purchasing officer.

Lamarre, clad in a tattered leather jacket and work clothes, revealed his new job to reporters last night, but refused to say where he was employed "because it might embarrass my employer."

U.S. Probes 17 Firms In Billion Expenditure

Washington, Dec. 24 (AP)—A spokesman for Representative Bender (R., Ohio) said today an investigation is under way concerning wartime overpayments or inadequate accounting records covering Government expenditures of $1,000,000,000 to seventeen concerns.

The spokesman, who withheld use of his name, said that "in some cases" payments were the result of "pressure" and in others the companies "were experimenting at Government expense."

Bender is chairman of a House subcommittee investigating inefficiency and waste in spending public funds during World War II. Hearings of his committee recessed recently until after the holiday season.

GOP PRICE BILL DUE FOR EARLY SIGNING

Truman Expected to Declare Inflation Curbs Inadequate in Accompanying Statement

WASHINGTON, Dec. 24 (AP)—President Truman may sign the Republican Anti-Inflation Bill "any day after Christmas," the White House said today. He will accompany it with a statement which is expected to attack it as inadequate to curb living costs.

The bill's main price stabilization feature—authorizing voluntary agreements within industry for cooperative anti-inflation action— falls short of the ten-point Truman plan. He failed to win the wage-price-rationing powers he asked.

But the measure carries some features included in the Truman program. These extend the President's powers over export of scarce essentials and over the use of boxcars. In addition the bill revives, until Jan. 31, the Government's authority to curb whisky-making by rationing grain to distillers.

Whisky manufacturing could be thrown wide open at midnight tonight with expiration of the industry's voluntary sixty-day "holiday" which was designed to save grain for Europe. However, part of the industry has already pledged to restrict use of grain after the holiday.

But when the bill is signed, the distillers may be squeezed into a 2,500,000-bushel monthly allotment. This is the figure which Secretary of Agriculture Clinton P. Anderson has vainly sought to get them to accept voluntarily.

Charles G. Ross, Presidential press secretary, told reporters at a news conference that the President will act on the bill next week, but amended this to say that it might "be signed any day after Christmas." Mr. Ross said a statement would be issued at the same time.

30.24- 14451

WASHINGTON,DEC.24-(AP)-THE MEXICAN EMBASSY SAID TONIGHT THAT 4,925,000 IN WHEAT FUTURES HOLDINGS BY NACIONAL DISTRIBUIDORA Y REGULADORA (NATIONAL DISTRIBUTION AND REGULATION AGENCY) OF MEXICO, REPRESENTED REGULAR HEDGING AND NOT SPECULATION.

THE OPERATIONS OF THE MEXICAN ORGANIZATION WERE REPORTED IN SECRETARY OF AGRICULTURE ANDERSON'S 95 LIST OF BIG TRADERS MADE PUBLIC MONDAY.

RAFAEL DE LA COLINA, CHARGE D'AFFAIRES, SAID IN A STATEMENT THAT THE TRADING WAS PART OF THE AGENCY'S GOVERNMENT-ASSIGNED JOB OF OBTAINING ACTUAL WHEAT FOR DELIVERY IN MEXICO.

NEW YORK,DEC.24-(AP)-JOHN FOSTER DULLES, REPUBLICAN ADVISER TO SECRETARY OF STATE MARSHALL AT THE RECENT FOREIGN MINISTERS' CONFERENCE, RETURNED FROM LONDON TODAY AND ASSERTED THE PRESENT DANGER IN EUROPE "IS NOT MILITARY BUT ECONOMIC."

ONE OF 1,912 PASSENGERS ABOARD THE QUEEN MARY, DULLES SAID "THIS NEED NOT BE A GLOOMY CHRISTMAS." FAILURE OF THE FOREIGN MINISTERS' MEETING, HE SAID, WAS NOT "A REASON FOR HYSTERIA OR FOR THINKING IN TERMS OF WAR."

DEC 1947

"WHAT IS NEEBED FOR PEACE IS TO TRANSLATE EUROPEAN ECONOMIC RECOVERY FROM THE REALM OF SPECULATION TO THE REALM OF FACT. THEN THE FOREIGN MINISTERS CAN RESUME NEGOTIATIONS WITH GOOD HOPE OF SUCCESS. THE NEXT BIG MOVE IN THE STRUGGLE FOR PEACE MAY THEREFORE HAVE TO BE MADE THIS WINTER IN THE HALLS OF CONGRESS."

NEW YORK, DEC.24-(AP)-ABNER GREEN, EXECUTIVE SECRETARY OF THE AMERICAN COMMITTEE FOR THE PROTECTION OF FOREIGN BORN, SAID HE HAD BEEN ADVISED TODAY OF THE CANCELLATION OF DEPORTATION PROCEEDINGS AGAINST SYED S.HASAN, INDIA NEWSPAPERMAN AND ONE OF TWO UNITED NATIONS CORRESPONDENTS THREATENED WITH DEPORTATION.

GREEN SAID HE OBTAINED HIS INFORMATION IN A TELEPHONE CONVERSATION WITH IRA GOLLOBIN, THE COMMITTEE'S ATTORNEY, WHO WAS IN PHILADELPHIA. GREEN SAID GOLLOBIN TOLD HIM THE CENTRAL OFFICE OF THE IMMIGRATION AND NATURALIZATION SERVICE THERE HAD CANCELLED THE WARRANT OF ARREST AND THE DEPORTATION PROCEEDINGS.

THE GOVERNMENT POSTPONED DEPORTATION PROCEEDINGS YESTERDAY AGAINST NICHOLAS KYRIAZIDIS OF GREECE AND HASAN, REPRESENTATIVE OF PEOPLE'S AGE, OF BOMBAY, AFTER PROTESTS AGAINST THEIR SEIZURE BY TRYGVE LIE, U.N.SECRETARY GENERAL. THE GOVERNMENT HAD CLAIMED THEY WERE COMMUNISTS.

NEW YORK, DEC.24-(AP)-TWO FOREIGN NEWSPAPER CORRESPONDENTS ACCREDITED TO THE UNITED NATIONS WERE RELEASED FROM THE CUSTODY OF IMMIGRATION OFFICIALS YESTERDAY AFTER THE GOVERNMENT ORDERED POSTPONEMENT OF EFFORTS TO DEPORT THE TWO ON THE GROUND THAT THEY ARE COMMUNISTS.

THE RELEASE OF NICHOLAS KYRIAZIDIS OF GREECE AND SYED S.HASAN, REPRESENTATIVE OF PEOPLE'S AGE, BOMBAY, INDIA, NEWSPAPER, FOLLOWED PROTESTS AGAINST THEIR SEIZURE BY TRYGVE LIE, U.N. SECRETARY GENERAL.

LIE, VOICING HIS OBJECTIONS TO THE AMERICAN U.N. DELEGATION, CITED A U.S.-U.N. AGREEMENT, RATIFIED LAST NOV.26, UNDER WHICH THE UNITED STATES AGREED "NOT TO IMPOSE ANY IMPEDIMENT" UPON ACCREDITED CORRESPONDENTS "TO TRANSIT TO OR FROM HEADQUARTERS DISTRICT."

THE JUSTICE DEPARTMENT INSTITUTED ACTIONS AGAINST THE NEWSMEN UNDER A 1918 LAW AUTHORIZING DEPORTATION OF ALIENS WHO ARE MEMBERS OF AN ORGANIZATION ADVOCATING THE FORCIBLE OVERTHROW OF THE GOVERNMENT.

HASAN'S NEWSPAPER IS INDIA'S OFFICIAL COMMUNIST PARTY ORGAN. IMMIGRATION AUTHORITIES CONTENDED HASAN ENTERED THE U.S. ON A STUDENT'S VISA BUT NO LONGER IS A STUDENT.

ACTING ON ADVICE OF COUNSEL AND PRIOR TO THE GOVERNMENT'S POSTPONEMENT OF PROCEEDINGS, KYRIAZIDIS STEADFASTLY REFUSED TO ANSWER QUESTIONS WHEN HE APPEARED AT YESTERDAY'S IMMIGRATION HEARING. HE PRODUCED CREDENTIALS DESCRIBING HIMSELF AS AN ACCREDITED U.N. CORRESPONDENT FROM THE NEWSPAPER DEMOKRATIS OF NICOSIA, CYPRUS.

KYRIAZIDIS WAS RELEASED ON HIS OWN RECOGNIZANCE PENDING A FURTHER HEARING.

HASAN, WHO HAD BEEN HELD AT ELLIS ISLAND SINCE FRIDAY, WAS RELEASED UNDER $5,000 BOND. HE TOLD A NEWS CONFERENCE THAT HIS DETENTION STEMMED FROM "MY POLITICAL BELIEFS AND BECAUSE I REPRESENT COMMUNIST NEWSPAPERS."

HE MAINTAINED THAT HE STILL HELD THE STATUS OF A STUDENT INASMUCH AS HE HAS NOT COMPLETED A THESIS FOR A MASTER'S DEGREE AT COLUMBIA UNIVERSITY.

NEW YORK, DEC. 24-(AP)-BRIG. GEN. CARLOS ROMULO, CHIEF PHILIPPINE DELEGATE TO THE UNITED NATIONS, RETURNED FROM GENEVA ABOARD THE QUEEN MARY TODAY AND SAID A REMARKABLE PHASE OF THE GENEVA U.N. MEETING WAS "THAT FOR THE FIRST TIME IN THE U.N. THE RUSSIANS SHOWED A SPIRIT OF COOPERATION WE HADN'T NOTICED HERE IN THE GENERAL ASSEMBLY."

HE SAID THAT ALTHOUGH THE RUSSIANS ABSTAINED FROM VOTING AT THE MEETING OF THE UNITED NATIONS COMMISSION ON HUMAN RIGHTS, PREFERRING TO WAIT UNTIL THE FINAL DRAFT OF THE DECLARATION OF HUMAN RIGHTS HAD BEEN COMPLETED, "THEY TOOK AN ACTIVE PART IN ALL THE DISCUSSIONS.

THE MEETING, HE SAID, WAS "ONE OF THE FEW SESSIONS OF ANY UNITED NATIONS BODY WHERE THE UNITED STATES AND U.S.S.R. DELEGATIONS COOPERATED, UNDER THE TACTFUL AND GRACIOUS CHAIRMANSHIP OF MRS. G ELEANOR ROOSEVELT, IN A WORKMAN-LIKE ATTEMPT TO RECONCILE DIFFERING ATTITUDES AND POINTS OF VIEW."

DEC 1947

(160) WASHINGTON,DEC.24-(AP)-THE WORLD BANK MAY SEND A REPRESENTATIVE OR POSSIBLY A MISSION TO THE PHILIPPINES EARLY NEXT YEAR, AN OFFICIAL SAID TODAY.

HE SAID THE PLANS ARE STILL TENTATIVE AND THAT THERE HAS BEEN NO CONCRETE DECISION YET ON WHO WILL GO OR WHEN.

THERE HAS BEEN NO FORMAL APPLICATION BY THE PHILIPPINES FOR A BANK LOAN, ALTHOUGH REPORTS INDICATE THAT REPUBLIC IS WEIGHING AN APPLICATION FOR POSSIBLY $100,000,000.

THE OFFICIAL POINTED OUT THAT THE 46-NATION BANK HAS A POLICY OF SENDING REPRESENTATIVES TO MEMBER COUNTRIES TO GATHER INFORMATION AND TO GIVE INFORMATION ON THE BANK'S OPERATIONS.

DISPATCH OF REPRESENTATIVES THEREFORE DOES NOT SIGNIFY THAT A LOAN GRANT IS IMPENDING, HE SAID, POINTING OUT THAT A MISSION RETURNED FROM POLAND LONG AGO AND OTHER MISSIONS ARE NOW IN CHILE AND ELSEWHERE WITHOUT HAVING RESULTED IN IMMEDIATE LOANS.

WASHINGTON,DEC.24-(AP)-UNDERSECRETARY LOVETT SAID TODAY THE STATE DEPARTMENT HAS STARTED NEGOTIATIONS WITH FRANCE, ITALY AND AUSTRIA ON PARING THEIR ESTIMATES OF EMERGENCY RELIEF NEEDS TO ABSORB A $75,-000,000 CUT IN STOPGAP FUNDS VOTED BY CONGRESS.

LOVETT TOLD A NEWS CONFERENCE QUESTIONER IT IS TOO EARLY TO SAY WHETHER THIS WOULD MEAN A REDUCTION SCHEDULED SHIPMENT, LARGELY TO FRANC OF $35,000,000 WORTH OF AMERICAN COTTON BEFORE MARCH 31.

NEGOTIATIONS ALSO HAVE STARTED, LOVETT SAID, ON AN AGREEMENT WITH FRANCE REGARDING THE DISTRIBUTION OF AMERICAN AID GOODS AS REQUIRED IN THE $540,000,000 AID BILL WHICH PRESIDENT TRUMAN SIGNED YESTERDAY.

OTHER OFFICIALS SAID PRIVATELY THEY EXPECT THE FRENCH AGREEMENT TO BE COMPLETED WITHIN A FEW DAYS. CONGRESS STIPULATED, AMONG OTHER THINGS, PUBLICITY FOR THE AMERICAN ASSISTANCE.

SIMILAR AGREEMENTS WERE MADE WITH ITALY, AUSTRIA AND CHINA EARLIER THIS YEAR, AFTER CONGRESS INCLUDED THEM AMONG THE COUNTRIES AIDED BY A $332,000,000 RELIEF APPROPRIATION.

THE $540,000,000 EMERGENCY RELIEF APPROPRIATION CARRIES $18,000,000 SPECIFICALLY EARMARKED FOR CHINA, WITH THE REMAINDER TO BE SHARED BY FRANCE, ITALY AND AUSTRIA ON A BASIS WHICH IS NOW BEING WORKED OUT.

PRESIDENT TRUMAN ASKED $597,000,000 FOR THE THREE WESTERN EUROPEAN COUNTRIES ALONE TO MEET THE "IRREDUCIBLE MINIMUM" OF THEIR WINTER NEEDS.

DEC 1947

(125) WASHINGTON,DEC. 24-(AP)-AMERICAN DIPLOMATIC OFFICIALS SAID TODAY THAT A NEW AGREEMENT WITH IRAN LIMITS THE UNITED STATES MILITARY MISSION THERE TO THE ROLE OF ADVISING THE IRANIAN ARMY GENERAL STAFF.

THUS, INFORMANTS SAID, THE NEW CONTRACT, REVISING ONE MADE IN 1943 DURING THE WAR, REDUCES THE RISK THAT AMERICANS MIGHT BECOME INVOLVED PERSONALLY IN EVENT OF A SHOOTING WAR BETWEEN IRAN AND RUSSIA OR ANY OTHER NATION.

A COPY OF THE PEACETIME AGREEMENT WAS FILED WITH THE UNITED NATIONS. THE WARTIME AGREEMENT AUTHORIZED AMERICANS ON THE SCENE TO OPERATE WITH ACTUAL COMBAT UNITS.

THE NEW CONTRACT LIMITS THE LIFE OF THE PRESENT MISSION TO MARCH 20, 1949. HEADED BY BRIG.GEN.ROBERT W.GROW, IT INCLUDES 18 OFFICERS AND EIGHT NON-COMMISSIONED OFFICERS. ANOTHER UNITED STATES MISSION HEADED BY BRIG.GEN.H.NORMAN SCHWARZKOPF IS ENGAGED IN TRAINING THE IRANIAN CONSTABULARY.

WASHINGTON,DEC. 24-(AP)-PROGRESS TOWARD REVISION OF THE AMERICAN ECONOMIC POLICY IN JAPAN WHICH SENATOR KNOWLAND (R-CALIF) RECENTLY CALLED "UN-ANGLO-SAXON" WAS REPORTED TODAY BY UNDERSECRETARY OF STATE ROBERT A.LOVETT.

THE PROGRAM IN QUESTION IS CONCERNED WITH THE BREAK-UP OF THE ZAI-BATSU FAMILY CARTELS WHICH HAVE CONTROLLED JAPANESE ECONOMIC LIFE FOR GENERATIONS.

AT ISSUE IS WHAT TO DO WITH INDUSTRIAL AND COMMERCIAL HOLDINGS ONCE THEY ARE TAKEN OUT FROM UNDER CONTROL OF THE ONCE-POWERFUL TRUSTS.

LOVETT MADE HIS PROGRESS REPORT AT A NEWS CONFERENCE BUT DID NOT GO INTO DETAIL ON ANY CONCLUSIONS.

THE BREAKUP OF THE CARTELS THEMSELVES, HE SAID, HAS BEEN ACCOMP-LISHED.

HE ADDED THAT THE MATTER OF DISPOSITION OF THE ASSETS INVOLVES MANY DIFFICULTIES, SUCH AS DECISIONS ON WHAT STANDARDS OF VALUE TO USE AND WHAT NEW MEASURES OF CONTROL TO APPLY.

KNOWLAND'S CRITICISM WAS VOICED IN A SENATE SPEECH LAST FRIDAY. HE DEMANDED A CONGRESSIONAL INVESTIGATION OF OCCUPATION POLICY IN THAT RESPECT, DECLARING HE HAD COME INTO POSSESSION OF A "CONFIDENTIAL" DOCUMENT DISCLOSING A POLICY "CONTRARY TO AMERICAN STANDARDS OF DE-CENCY AND FAIR PLAY."

THE SENATOR SAID THE DOCUMENT, KNOWN AS "FEC 230", OUTLINED AN "ARBITRARY PURGE" UNDER WHICH ALL FORMER MANAGERS, STOCKHOLDERS AND CREDITORS OF LARGE BUSINESSES WERE BEING DIVESTED OF THEIR HOLDINGS AND POSITIONS, AND BARRED FROM HOLDING THEM FOR TEN YEARS, WITHOUT ANY TRIAL.

HE WANTED TO KNOW WHO WAS ORIGINALLY RESPONSIBLE FOR THE POLICY.

KNOWLAND TOLD HIS COLLEAGUES ALSO THAT "DESIRABLE PURCHASERS" WERE PERMITTED TO TAKE OVER HOLDINGS ON THEIR OWN TERMS.

LOVETT SAID TODAY THAT THE ORIGINAL 1945 INSTRUCTIONS TO GEN. DOUGLAS MACARTHUR REPRESENTED THE VIEWS OF THE STATE, WAR AND NAVY DEPARTMENTS, AND WERE CONCURRED IN BY JOINT CHIEFS OF STAFF AND BY GENERAL MACARTHUR.

BREAKING UP ZAIBATSU CONTROL, HE SAID, REQUIRES DISTRIBUTION OF CONTROL AS WELL AS THE ACTUAL ASSETS OF THE COMBINES.

WHAT WE ARE TRYING TO DO, LOVETT WENT ON, IS TO FIND AN ANSWER TO THE BASIC QUESTION ON HOW TO DISTRIBUTE OWNERSHIP. TO TURN THE CONCENTRATIONS OVER TO THE JAPANESE GOVERNMENT WOULD MERELY CREATE A GOVERNMENT MONOPOLY, HE OBSERVED.

LOVETT SAID IN RESPONSE TO A QUESTION THAT HE DID NOT KNOW WHETHER THE ORIGINAL DIRECTIVE HAD BEEN SUSPENDED PENDING THE RESTUDY WHICH BEGAN LAST JULY. BUT HE SAID HE BELIEVED THE ARMY DEPARTMENT SENT MACARTHUR A WHOLE NEW ORDER AFTER THE VISIT TO JAPAN OF AN ARMY OF-FICIAL.

DEC 1947

REPORTERS ASSUMED HE WAS REFERRING TO THE VISIT OF UNDERSECRETARY WILLIAM H.DRAPER.

PEARL HARBOR, DEC.24-(AP)-THE REMOVAL OF ENIWETOK'S 142 INHABITANTS TO MAKE WAY FOR A NEW U. S. ATOMIC WEAPONS TESTING GROUND WAS COM-PLETED DEC. 20, VICE ADM. H. B. SALLADA ANNOUNCED TODAY.

SALLADA, ACTING COMMANDER IN CHIEF OF THE PACIFIC FLEET, RETURNED EARLIER THIS WEEK FROM ENIWETOK.

THE NATIVES OF ENIWETOK WERE TRANSFERRED TO UJELANG ATOLL, SOUTH-WEST OF ENIWETOK IN THE MARSHALLS.

"THE SELECTION OF UJELANG WAS MADE AFTER PROLONGED DISCUSSIONS BETWEEN NATIVE CHIEFTAINS AND CAPT. JOH P. VEST, GOVERNOR OF THE MARSHALL ISLANDS," SALLADA SAID. TWO OF THE CHIEFS WERE FLOWN TO UJELANG TO INSPECT THE PROPOSED SITE PRIOR TO ITS FINAL SELECTION."

THE NATIVES ARE HOUSED IN FLOORED TENTS ON UJELANG WHILE HOMES ARE BEING BUILT. ALSO TO BE CONSTRUCTED ARE A CHURCH, COUNCIL HALL, SCHOOL, DISPENSARY AND NUMEROUS RAINCATCHBASINS.

THE NAVY ALSO WILL PROVIDE COPRA DRYING SHEDS, A WAREHOUSE, AND A PIER FOR TRADING VESSELS.

UJELANG HAS HAD NO STABLE POPULATION FOR YEARS, THE NAVY SAID, ALTHOUGH THE JAPANESE CULTIVATED THE ISLAND EXTENSIVELY. THE NEW VILLAGE IS EXPECTED TO BE COMPLETED IN APRIL.

DEC 1947

30.24- 14453

WASHINGTON,DEC.24-(AP)-PRESIDENT TRUMAN TODAY ORDERED A GOVERNMENT COMMITTEE CREATED TO SPUR SCIENTIFIC RESEARCH BY FEDERAL AGENCIES.

HE ISSUED AN ORDER DIRECTING THAT COMMITTEE MEMBERS BE APPOINTED BY THE DEPARTMENTS OF AGRICULTURE, COMMERCE, INTERIOR, THE ARMY, NAVY AND AIR FORCE, THE FEDERAL SECURITY AGENCY, THE ATOMIC ENERGY COMMISSION, THE NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS, THE VETERANS ADMINISTRATION AND THE SMITHSONIAN INSTITUTE.

A WHITE HOUSE ANNOUNCEMENT SAID THAT PRESIDENTIAL ASSISTANT JOHN R.STEELMAN "WILL PROVIDE LIAISON BETWEEN THE PRESIDENT AND THE INTER-DEPARTMENTAL COMMITTEE AND BETWEEN THE OFFICE OF THE PRESIDENT AND THE NATION'S SCIENTISTS AND THEIR SOCIETIES."

MR.TRUMAN DIRECTED THAT THE COMMITTEE MAINTAIN "A CONTINUING STUDY OF VARIOUS ASPECTS OF THE FEDERAL GOVERNMENT'S SCIENTIFIC PROGRAMS" AND RECOMMEND WAYS TO MAKE THEM MOST EFFECTIVE IN PROMOTING THE NATIONAL WELFARE.

DEC 1947

WASHINGTON,DEC.24-(AP)-AIDES OF SECRETARY OF DEFENSE FORRESTAL SAI TODAY HE IS CERTAIN THAT SUBSTANTIAL SAVINGS WILL RESULT EVENTUALLY FROM UNIFICATION OF THE MILITARY SERVICES BUT IS AVOIDING ANY EARLY PREDICTIONS IN TERMS OF DOLLARS.

THE FIRST TRULY CONSOLIDATED BUDGET FOR ALL THREE SERVICES -- THE ARMY, NAVY AND AIR FORCE -- WON'T GO TO CONGRESS BEFORE NEXT SEPTEMBE THE TIME WHEN ALL DEPARTMENTS MAKE THEIR PRELIMINARY ESTIMATES. THE NATIONAL DEFENSE ORGANIZATION CAME INTO EXISTENCE SINCE LAST SEPTEMBE AND THEREFORE INDIVIDUAL BUDGETS FOR EACH OF THE SERVICES WERE USED FOR THE CURRENT PLANNING.

FORRESTAL'S AIDES SAID THAT A START ON ECONOMIES HAVE BEEN MADE IN SEVERAL CONSOLIDATIONS OF FUNCTIONS, SUCH AS PROCUREMENT OF SUPPLIES

DEC. 1947

SEVERAL CONSOLIDATIONS OF FUNCTIONS,-SUCH AS PROCUREMENT OF SUPPLIES AND SERVICES FOR ALL MILITARY BRANCHES BY A SINGLE AGENCY, BUT THESE SHOULD BE VIEWED ONLY AS A BEGINNING.

THEY RECALLED THAT THE SECRETARY HAD ASSERTED RECENTLY THAT HE WAS "VERY CHARY ABOUT MAKING STATEMENTS CONCERNING THE SPEED AT WHICH YOU WILL GET ECONOMIES OR THEIR VOLUME."

FORRESTAL ADDED ON THAT OCCASION, THERE "IS NO QUESTION IN MY MIND THAT THERE WILL BE SAVINGS BUT I'D RATHER NOT PREDICT THEM NOW."

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LARAMIE,WYO.,DEC.24-(AP)-A DECISION BY THE UNIVERSITY OF WYOMING BOARD OF TRUSTEES TO INVESTIGATE THE SCHOOL'S TEXTBOOKS FOR "UNAMERICAL OR SUBVERSIVE" DOCTRINES HAS BROUGHT A REQUEST FROM SOME FACULTY MEMBE FOR A DEFINITION OF "UNAMERICAN" AND "SUBVERSIVE."

DR.ALFRED LARSON, HEAD OF A FACULTY COMMITTEE, SAID "WE ARE DISTURBE BY THE INVESTIGATION." LARSON SAID THE FACULTY GROUP HOPED TO HAVE A HEARING BEFORE THE BOARD OF TRUSTEES WHEN IT MEETS JAN.24 BUT SAID THE MUST RECEIVE AN "INVITATION" BEFORE THEY MAY APPEAR.

EMPHASIZING THAT FACULTY MEMBERS WERE NOT PROTESTING THE STUDY, LARSON SAID MANY ON THE TEACHING STAFF WANTED A MORE PRECISE EXPLANATION OF THE INVESTIGATION'S AIMS.

PRESIDENT G.D.HUMPHREY WAS DIRECTED BY THE BOARD OF TRUSTEES IN OCTOBER TO APPOINT A COMMITTEE TO STUDY THE TEXTBOOKS IN THE SOCIAL SCIENCES TO SEE IF THEY CONTAINED "UNAMERICAN OR SUBVERSIVE" DOCTRINES.

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NEW YORK, DEC.24-(AP)-THE AMERICAN HERITAGE FOUNDATION ANNOUNCED TODAY THE FREEDOM TRAIN, BEARING HISTORIC DOCUMENTS WILL NOT STOP AT BIRMINGHAM, ALA., DEC.29 AS SCHEDULED BECAUSE CITY OFFICIALS THERE INSISTED ON ARRANGEMENTS CONTRARY TO THE FOUNDATION'S POLICY REGARDING SEGREGATION.

THOMAS D'ARCY BROPHY, FOUNDATION PRESIDENT, MADE PUBLIC THE DECISION IN A STATEMENT THAT INCLUDED TEXTS OF TELEGRAMS EXCHANGED WITH BIRMINGHAM OFFICIALS.

DEC 1947

COOPER GREEN, PRESIDENT OF THE CITY COMMISSION, PROPOSED THAT TWO LINES, FOR WHITE AND NEGRO VISITORS TO THE TRAIN, BE MAINTAINED. HE SAID THIS WAS A NECESSARY PUBLIC SAFETY PROCEDURE AND HAD THE APPROVAL OF "LEADING COLORED CITIZENS."

BROPHY HAD REPLIED THAT A "SINGLE LINE LEADING INTO (THE) FREEDOM TRAIN MUST BE OPEN TO ALL X X X."

IN THE STATEMENT, BROPHY SAID THE BIRMINGHAM STOP HAD BEEN CANCELLED "WITH GREAT RELUCTANCE AND GENUINE REGRET."

"DESPITE EVERY EFFORT TO EFFECT A SATISFACTORY SOLUTION, TWO OF THE THREE CITY COMMISSIONERS OF BIRMINGHAM INSIST ON ARRANGEMENTS WHICH ARE CLEARLY IN VIOLATION OF THE POLICY OF THE FOUNDATION, THAT NO SEGREGATION OF ANY INDIVIDUALS OR GROUPS OF ANY KIND, ON THE BASIS OF RACE OR RELIGION BE ALLOWED ON THE FREEDOM TRAIN," BROPHY SAID.

"WE REAFFIRM OUR DETERMINATION THAT THE AMERICAN HERITAGE PROGRAM SHALL BE AN INSTRUMENTALITY FOR STRENGTHENING THE FREEDOM AND LIBERTIES OF ALL AMERICANS REGARDLESS OF RACE, CREED OR COLOR."

WW545PES

AT BIRMINGHAM, MAYOR COOPER GREEN SAID IN A STATEMENT THAT ONLY ONE PLAN--CALLING FOR SEPARATE LINES FOR NEGROES AND WHITES--HAD EVER BEEN AGREED UPON BY HIMSELF OR THE COMMISSION.

THE MAYOR ADDED THAT MICHAEL SPAATZ, A REPRESENTATIVE OF THE FOUNDATION, ATTENDED THE ORIGINAL MEETING OF THE COMMITEE HERE AND SAID THE PLAN WAS ACCEPTABLE AND WAS NOT CONSIDERED SEGREGATION BY THE FOUNDATION.

THE COMMISSION EARLIER TODAY SENT THE FOUNDATION A TELEGRAM THAT SAI IN PART:

"OUR SEGREGATION LAW IS FOR THE EQUAL PROTECTION OF THE WHITE AND BLACK RACES OF THE CITY, AND FOR THE PRESERVATION OF DISORDERS IN THE CITY, AND IS NOT A MANTLE TO BE LAID ASIDE AT THE INSTANCE OF EITHER THIS OR THAT VISITOR X X X.

"HENCE, IF THOSE IN CHARGE OF THE FREEDOM TRAIN SHOULD SEE FIT TO BRING IT TO BIRMINGHAM, THEY WILL BE WELCOMED CORDINALLY, BUT CANNOT EXPECT THAT EITHER THEY OR VISITORS TO THE FREEDOM TRAIN WILL BE EXEMPT FROM THE OPERATION OF OUR LAWS. X X X"

THE TELEGRAM WAS SIGNED BY ASSOCIATE COMMISSIONERS EUGENE CONNOR AND JAMES MORGAN. GREEN SAID HE AGREED TO "THE FULL MEANING OF THE TELEGRAM," BUT DID NOT SIGN IT BECAUSE HE OBJECTED TO ITS WORDING AND TO USE OF THE WORD "SEGREGATION."

DEC 1947

VISITS BY THE TRAIN ALREADY HAVE BEEN CANCELLED IN MEMPHIS, TENN., AND OTHER SOUTHERN CITIES WHICH REQUIRE SEGREGATION.

THE TRAIN IS NOW AT MOBILE, ALA., WHERE IT WILL BE OPEN TO THE PUBLIC FRIDAY. IT GOES TO MONTGOMERY, ALA., THE FOLLOWING DAY.

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SAN DIEGO,CALIF.,DEC.24-(AP)-FLEET ADM.CHESTER W.NIMITZ SAID YESTERDAY THAT ARMY AND NAVY MEN WHO GO INTO POLITICS "HAVE A HARDER TIME" THAN CIVILIAN OFFICE SEEKERS AND THAT HE PREFERRED TO GO IN FOR "BABY SITTING."

NIMITZ, WHO WAS RELIEVED LAST WEEK AS CHIEF OF NAVAL OPERATIONS, DECLARED: "I HAVE NO POLITICAL ASPIRATIONS AND I SYMPATHIZE WITH SERVICE PEOPLE WHO DO."

HE WAS ON ACTIVE DUTY AS A "BABY SITTER" AS HE ANSWERED QUESTIONS OF INTERVIEWERS. HE WAS HOLDING HIS GRANDSON, 17 MONTHS OLD "JIMMY," SON OF NAVY CMDR. AND MRS. JAMES T.LAY.

HE ANNOUNCED THAT HE HAD ACCEPTED APPOINTMENT AS "CHIEF OF NAVAL OPERATIONS" OF THE TEXAS NAVY, IN WHICH HE HAD BEEN AN "ADMIRAL."

IN CIVILIAN SHIRTSLEEVES, NIMITZ, 62, DEMONSTRATED HIS "IMPROVED" BABY SITTING TECHNIQUE ON THE SUNNY BACKYARD LAWN OF HIS DAUGHTER'S HOME.

NIMITZ AND MRS.NIMITZ AND TWO DAUGHTERS, NANCY OF WASHINGTON, D.C., AND MARY, A STUDENT AT SAN RAFAEL, CALIF., ARRIVED MONDAY NIGHT FOR A HOLIDAY VISIT.

LAKE SUCCESS,DEC.24-(AP)-A GROUP OF 175 MEMBERS OF THE UNITED NATIONS SECRETARIAT REPRESENTING 35 NATIONS LEFT AT NOON TODAY FOR BINGHAMTON, N.Y., ON WHAT A U.N. OFFICIAL SMILINGLY DESCRIBED AS "THE BIGGEST MASS BLIND DATE IN HISTORY."

THE HOLIDAY TRAVELERS, ALL AWAY FROM THEIR NATIVE LANDS, ACCEPTED AN INVITATION TO SPEND THEIR CHRISTMAS VACATIONS AS GUESTS OF RESIDENTS OF THE UPSTATE TRIPLE CITIES OF BINGHAMTON, ENDICOTT AND JOHNSON CITY. THE INVITATION WAS EXTENDED AS A GESTURE OF APPRECIATION FOR COURTESIES GIVEN AMERICAN SOLDIERS OVERSEAS DURING THE WAR.

ALL MEMBERS OF THE BIG FIVE NATIONS EXCEPT THE UNITED STATES ARE REPRESENTED IN THE PARTY, WHICH IS GOING TO NEWARK, N.J., IN SPECIAL BUSES. THERE THEY WILL BOARD A SPECIAL ERIE RAILROAD TRAIN FOR BINGHAMTON, ARRIVING AT 6:30 P.M. (EST).

AMONG THE NATIONS REPRESENTED OTHER THAN BRITAIN, FRANCE, RUSSIA AND CHINA ARE AUSTRALIA, CANADA, YUGOSLAVIA, SWEDEN, NORWAY, BELGIUM, GREECE, MEXICO, CUBA, CHILE, ARGENTINA, EGYPT, SOUTH AFRICA, DENMARK, VENEZUELA, HOLLAND, CZECHOSLOVAKIA, SCOTLAND, LUXEMBOURG, PUERTO RICO AND THE PHILIPPINES.

MAJ.JAN EISENHARDT OF DENMARK, CHIEF OF U.N. STAFF ACTIVITIES AND WELFARE, DESCRIBED THE HOLIDAY TRIP AS "THE BIGGEST MASS BLIND DATE IN HISTORY." HE IS GOING ALONG WITH HIS BRITISH ASSISTANT, MISS JOAN PARKER, TO "IRON OUT ANY LITTLE DIFFICULTIES THAT MIGHT ARISE."

ASKED WHAT DIFFICULTIES HE ANTICIPATED, EISENHARDT SAID:

"SOME OF THESE PEOPLE DON'T SPEAK VERY MUCH ENGLISH. SOME OF THEM MIGHT GET SICK. THEN TOO, THERE ARE THE CASES OF SOME OF THE FRENCH GIRLS WHO SAID THEY DIDN'T WANT TO GO ALONG UNLESS THEY KNEW THEY COULD STAY AT THE SAME HOMES."

THEN, TOO, EISENHARDT SAID, THERE ARE THE CASES OF VEGETARIANS AND OF HINDUS AND JEWS WHO CAN EAT ONLY CERTAIN TYPES OF FOOD.

DEC 1947

AT NEWARK THE PARTY, WHICH INCLUDES SOME 15 CHILDREN OF SECRETARIAT MEMBERS, WILL BOARD A TRAIN WHICH WILL PROVIDE RECLINING SEATS, AIR-CONDITIONED COACHES. IT WILL WIND THROUGH THE RURAL COUNTRYSIDE GIVING THE FOREIGN-BORN HOLIDAY-SEEKERS A SNOW-COVERED VIEW OF THE SCENIC ROUTE THROUGH THE DELAWARE RIVER VALLEY.

THE WHOLE TRIP WILL COST EACH TRAVELER $12.

THE MASS INVITATION, RESTRICTED TO THOSE WHO ARE AWAY FROM HOME AT CHRISTMAS TIME, COVERED SINGLE PERSONS, MARRIED COUPLES, AND THEIR CHILDREN IF THEY WISHED TO TAKE THEM ALONG.

SECOND NIGHT LEAD HOLIDAYERS

TONI ADAMS

BINGHAMTON, N.Y., DEC.24-(AP)-THIS TYPICAL AMERICAN "MAIN STREET" COMMUNITY OPENED ITS HEART THIS CHRISTMAS EVE TO 175 UNITED NATIONS EMPLOYES SEEKING THE HOLIDAY SPIRIT FAR FROM THE OVERSEAS HOMES THEY LEFT TO WORK FOR PEACE.

LADEN WITH GIFTS FOR THEIR HOSTS, TYPISTS, CLERKS AND INTERPRETERS FROM SOME 35 NATIONS ARRIVED FROM LAKE SUCCESS ABOARD A SPECIAL TRAIN THAT ALSO CARRIED A PRESENT-BEARING SANTA CLAUS. FOUR CHILDREN WERE WI THE MEN AND WOMEN FROM THE SECRETARIAT, INVITED TO SHARE TRADITIONAL FESTIVITIES IN THIS SOUTH-CENTRAL NEW YORK CITY AND NEIGHBORING JOHNSO CITY AND ENDICOTT.

YOU WOULD HAVE FELT A LITTLE SAD AND TENDER TOWARD THIS CONFUSED GROUP, ALIGHTING AMONG ABOUT 400 STRANGERS IN THE DARK AND IDENTIFIED TEMPORARILY ONLY BY NUMBERS.

A VOICE WOULD CALL A NUMBER THROUGH A LOUD SPEAKER: "NO.13."

AUTOMOBILE 13 WOULD PULL UP TO THE PLATFORM AND A GIRL FROM FRANCE, AUSTRALIA, RUSSIA OR ELSEWHERE ABROAD WOULD BE SAYING, "HELLO" TO AN AMERICAN FAMILY.

YOU ALSO WOULD HAVE FELT A HOPE FOR INTERNATIONAL UNDERSTANDING, FOR AFTER THE "HELLOS" CAME THE USUAL SOCIABLE EXCHANGES AND THEN CHRISTMAS CAROLS AND STORIES AROUND GAILY DECORATED CHRISTMAS TREES.

WHILE A SALVATION ARMY BAND PLAYED SILENT NIGHT, MISS TATIANA STRACHINSKA FROM MOSCOW WAS MEETING DR. H.I. JOHNSTON OF BINGHAMTON. THE TEMPERATURE WAS 22 ABOVE ZERO AND MOST PEOPLE SHIVERED. MISS STRACHINSKA'S RUSSIAN ACCENT WAS HEARD CALLING:

"THIS IS LOVELY WEATHER. IT IS SO NICE AND COLD."

BUT MISS KRISTIN BJORNS, A PRETTY BLONDE FROM REYKJAVIK, ICELAND, CRIED:

"BRR! IS IT ALWAYS THIS COLD HERE?"

MEANWHILE, MISS MONIQE KRAKRAUSZ, 19 YEAR OLD PROOF READER WHO LEFT RUE DE LAROQUETTE, PARIS, EIGHT MONTHS AGO TO JOIN THE FRENCH LANGUAGE DEPARTMENT IN U.N., WAS SMILING AT YOUNG RICHARD WEISS, BINGHAMTON HIGH SCHOOL STUDENT. SHE GOT A GREAT BIG HUG.

OLAV MATHESEN FROM 78 CHRISTIAN X ALLE LYNGBY, DENMARK, WAS JOINING HIS HOST , W.H. CLUSE, AND FRIENDS IN A COMMUNAL BOTTLE.

ROBERT B. JOGGERST, FORMER NAVY LIEUTENANT WHO SUGGESTED ASKING THE U.N. WORKERS HERE IN RETURN FOR HOSPITALITY SHOWN HIM AND OTHER AMERICA SERVICE MEN OVERSEAS DURING WORLD WAR 2, WAS ON HAND, BRIMMING OVER WITH THE SPIRIT OF GIVING. HE HOPED THE FAMILY OF JOHN W. KIDD IN LEEDS ENGLAND, WHO GAVE HIM A WARTIME CHRISTMAS, WOULD READ OF THIS INTERNATIONAL FETE.

THE ROTARY CLUB TOOK UP JOGGERST'S IDEA AND DREW IN THE CITIZENRY OF THE THREE TOWNS FOR WHAT A U.N. SPOKESMAN DESCRIBED AS "THE BIGGEST MASS BLIND DATE IN HISTORY."

TOMORROW THERE WILL BE TURKEY DINNER WITH ALL THE TRIMMINGS.

AMONG THE VISITORS XXX 10TH GRAF EARLY

UNDATED FOREIGN CHRISTMAS (550)

DEC 1947

BY THE ASSOCIATED PRESS

(NY) IN A WORLD TORMENTED BY BLOODY STRIFE, AFFLICTED BY THE MISERY OF COLD AND HUNGER AND DISTRESSED BY THE UNSOLVED PROBLEMS OF PEACE, MUCH OF MANKIND BEGAN TODAY THE CELEBRATION OF THE THIRD CHRISTMAS SINCE THE END OF THE WAR.

THERE WAS BLOODSHED IN PALESTINE, GREECE, CHINA AND INDOCHINA. HUNGER AND COLD WERE SPECTERS CLOUDING THE CELEBRATIONS IN MUCH OF EUROPE, WHERE "AUSTERITY" HAD BECOME A NEW WORD FOR BELT-TIGHTENING.

WRANGLING AMONG THE VICTORIOUS POWERS LEFT GERMANY, AUSTRIA AND JAPAN WITHOUT PEACE TREATIES AND COMMUNIST PRESSURE IN THE "COLD WAR"

30,24- 14455

KEPT THE GOVERNMENTS OF WESTERN EUROPE VIGILANT.

POPE PIUS XII, ONE OF THE MOST POWERFUL SPOKESMEN FOR CHRISTENDOM, PROTESTED VIGOROUSLY IN HIS CHRISTMAS MESSAGE AGAINST "THE GROWING TENDENCY TOWARD INSINCERITY" WHICH HE SAID THE NATIONS WERE DISPLAYING IN DEALING WITH ONE ANOTHER.

THE PONTIFF, DECLARING THAT THE WORLD IS "TIRED OF WAR AND FAMISHED FOR PEACE," LAMENTED:

"AFTER ANOTHER POSTWAR YEAR CHARGED WITH MISERIES, SUFFERINGS, DELUSIONS AND PRIVATIONS, WHOEVER HAS EYES TO SEE AND EARS TO HEAR MUST BE ARRESTED AT SIGHT OF THIS DOLOROUS AND HUMILIATING FACT:

"EUROPE AND THE WORLD TODAY ARE FURTHER THAN EVER FROM THE TRUE PEACE, FROM A FULL AND PERFECT HEALING OF THEIR ILLS, FROM ESTABLISHMENT OF A NEW ORDER IN HARMONY, EQUILIBRIUM AND JUSTICE."

DEC 1947

THE LITTLE TOWN OF BETHLEHEM, THE CRADLE OF THE LORD JESUS, WAS AN OASIS OF PEACE IN A HOLY LAND RIPPED BY COMMUNAL HATRED AND BLOODSHED. MORE THAN 300 PERSONS HAVE BEEN SLAIN IN PALESTINE SINCE NOV.29, WHEN THE DECISION WAS TAKEN TO SPLIT THE LAND INTO ARAB AND JEWISH STATES.

PILGRIMS FLOCKED TO THE TINY HILLSIDE TOWN, WHERE CHRIST WAS BORN IN A STABLE, FOR TRADITIONAL RELIGIOUS OBSERVANCES ON THE ANNIVERSARY OF HIS BIRTH.

IN LONDON, KING GEORGE VI SINGLED OUT BRITISH COAL MINERS FOR EIGHT OF THE 18 CHRISTMAS AWARDS FOR HEROISM, RECALLING INSTANCES OF BRAVERY IN MINE DISASTERS OF 1947.

IN THE FRENCH OCCUPATION ZONE OF GERMANY, THE WORST RAIL DISASTER SINCE THE END OF THE WAR OCCURRED MONDAY NIGHT. THIRTY-NINE PERSONS PERISHED AND 100 WERE INJURED WHEN TWO TRAINS JAMMED WITH CHRISTMAS TRAVELERS COLLIDED HEADON NEAR NEUWIED.

IN SPANDAU PRISON, BERLIN, BLEAK CHRISTMAS EVE SERVICES WERE PLANNED FOR RUDOLF HESS, KARL DOENITZ, ERICH RAEDER, CONSTANTIN VON NEURATH, ALBERT SPEER, BALDUR VON SCHIRACH AND WALTHER FUNK--ONE-TIME NAZI BIGWIGS SENTENCED FOR WAR CRIMES AT NUERNBERG.

TRAVELERS LEAVING SYDNEY FOR SAN FRANCISCO TONIGHT AND U.S. SAILORS ABOARD A TANKER OUT OF HONOLULU WILL HAVE TWO CHRISTMAS DAYS AND WILL OBSERVE BOTH. THE AUSTRALIAN AIRWAYS PLANE ON WHICH THE SYDNEY PASSENGERS TRAVEL WILL CROSS THE INTERNATIONAL DATELINE, AND THE AIRLINE HAS ARRANGED TO SERVE TWO CHRISTMAS DINNERS. THAT'S THE WAY IT WAS ON THE TANKER ASHTABULA, TOO.

THERE WAS HOLIDAY FEELING IN MOSCOW, TOO, FOR THE ANNUAL NEW YEAR'S CELEBRATION--WHICH IS A SORT OF COMBINATION OF CHRISTMAS AND NEW YEAR' AS THEY ARE KNOWN IN WESTERN COUNTRIES. BECAUSE OF DIFFERENCES IN THE RUSSIAN CHURCH CALENDAR, CHRISTMAS RELIGIOUS OBSERVANCES ARE HELD ON JAN.7, BUT NEW YEAR'S EVE AND NEW YEAR'S DAY ARE BIG CELEBRATING TIMES, CALLING FOR GIFTS AND DECORATED TREES.

SANTA CLAUS IS KNOWN IN RUSSIA AS GRANDFATHER FROST. HE HAS A LONG BEARD LIKE ST.NICK, BUT HIS SUIT IS WHITE, INSTEAD OF RED.

THE BLOODY GUERRILLA WARFARE IN GREECE CONTINUED WITHOUT LETUP AND IN ITALY, THE LEFTIST PRESSURE ON THE GOVERNMENT OF PREMIER ALCIDE DE GASPERI WENT ON IN THE FORM OF STRIKES AND OTHER LABOR DISTURBANCES. IN GERMANY, THE U.S. ARMY ENTERTAINED NEARLY A MILLION GERMAN CHILDREN AT CHRISTMAS PARTIES.

CHINA'S NEW CONSTITUTION BECOMES EFFECTIVE ON CHRISTMAS DAY, A GOVERNMENT SPOKESMAN SAID, BUT THERE WAS SO MUCH CONFUSION SURROUNDING THE NEW DOCUMENT THAT CHINESE WERE NOT CERTAIN WHETHER TO REGARD IT AS A GIFT.

(NY)...THE OFT-DIVIDED CHRISTIAN WORLD WAS UNITED LAST NIGHT (WED) IN CHRISTMAS EVE CELEBRATIONS, BUT POPE PIUS XII SAID IT WAS "FURTHER THAN EVER FROM THE TRUE PEACE."

WHILE THE PHRASE "PEACE ON EARTH, GOOD WILL TOWARDS MEN" WAS INTONED TO EXPRESS MEN'S HOPES, THERE WAS BLOODSHED IN PALESTINE, GREECE, CHINA AND INDOCHINA.

TAKING NOTE OF THE DIFFERENCE BETWEEN MEN'S ASPIRATIONS AND ACHIEVEMENTS ON THIS THIRD POSTWAR CHRISTMAS, THE POPE DECLARED IN VATICAN CITY THAT A "POLICY OF INSINCERITY" AMONG NATIONS WAS BLOCKING THE PATH OF PEACE AND CALLED FOR A "LEAGUE OF HONEST MEN" TO SAFEGUARD THE WORLD AGAINST WAR.

IN THE STRIFE-TORN HOLY LAND, ONLY A HANDFUL OF THE NUMBER OF DEVOTED PILGRIMS WHO ONCE ANNUALLY VISITED THE BIRTHPLACE OF THE PRINCE OF PEACE JOURNEYED THROUGH RAIN-SWEPT HILLS TO BETHLEHEM.

YET IN AMERICA--AND EVEN IN THOSE NATIONS WHERE HUNGER WAS A THREATENING SPECTER--THERE WAS MERRIMENT.

THE FULL TIDE OF CHRISTMAS EVE CAME FIRST TO THE CHRISTIAN WORLD IN THE LANDS FROM THE BALTIC TO THE MEDITERRANEAN. SWEDEN, NORWAY AND LAPLAND WERE BLANKETED WITH SNOW BUT ELSEWHERE ACROSS THE CONTINENT THE WEATHER WAS MILD AND RAINY.

IN ALMOST ALL CITIES THERE WERE GAILY LIT CHRISTMAS TREES IN PUBLIC SQUARES AND SERVICES IN CATHEDRALS AND VILLAGE CHURCHES TO HAIL THE NATIVITY.

IN WASHINGTON, PRESIDENT TRUMAN, ADDRESSING THE NATION BY RADIO, PROMISED AMERICAN AID TO THE "COLD AND HUNGRY" OF OTHER LANDS. "AS WE PREPARE TO CELEBRATE OUR CHRISTMAS THIS YEAR IN A LAND OF PLENTY, WE WOULD BE HEARTLESS INDEED IF WE WERE INDIFFERENT TO THE PLIGHT OF LESS FORTUNATE PEOPLES OVERSEAS," HE SAID IN A CHRISTMAS EVE MESSAGE.

--DASH--

(EDS: PLS NOTE TRUMAN QUOTES ABOVE GRAF ARE NOT FOR USE UNTIL 5:15 P.M. EST TODAY)

DEC 1947

--DASH--

HE AND HIS FAMILY PLANNED A TRADITIONAL CHRISTMAS IN THE WHITE HOUSE.

IN LONDON, KING GEORGE VI SINGLED OUT BRITISH COAL MINERS FOR EIGHT OF THE 18 CHRISTMAS AWARDS FOR HEROISM, RECALLING INSTANCES OF BRAVERY IN MINE DISASTERS IN 1947.

THERE WAS HOLIDAY FEELING IN MOSCOW, TOO, FOR THE FORTHCOMING NEW YEAR'S CELEBRATION. BECAUSE OF DIFFERENCES IN THE RUSSIAN CHURCH CALENDAR, CHRISTMAS RELIGIOUS OBSERVANCES ARE HELD JAN. 7.

MILLIONS OF AMERICANS WHO GATHERED IN FAMILY GROUPS BY THEIR OWN FIRESIDES WERE PROMISED A SUNNY, SEASONABLE CHRISTMAS DAY. EASTWARD FROM THE DAKOTAS, EXCEPT FOR A FEW AREAS, IT WAS A WHITE CHRISTMAS.

IT WAS ALSO WHITE IN NEW ENGLAND WHERE A NORTHEAST STORM WHIPPED OUT TO SEA, LEAVING IN ITS WAKE SNOW BANKS, TRAVELERS STRANDED AND DELAYED--AND AT LEAST SEVEN PERSONS DEAD.

AMERICAN RAILROADS, HIGHWAYS AND AIR ROUTES WERE CROWDED WITH

HAPPY TRAVELERS BENT ON BRIEF CELEBRATIONS WITH FRIENDS AND FAMILIES.

REPORTS INDICATED AMERICANS HAD OPENED THEIR POCKETBOOKS TO UNPRECEDENTED WIDTHS IN A GIFT-BUYING SPREE. THERE WAS SOME GRUMBLING ABOUT THE PRICE OF CHRISTMAS TREES -- BUT NEARLY EVERYONE HAD ONE.

IT WAS CHRISTMAS EVE -- WHEN THE WORLD SEEMS TO STOP TO LITTLE CHILDREN -- BUT PEOPLE DIED AND WERE BORN AND KNEW SADNESS.

IN SEBASCO, ME., THE STORK NEEDED THE HELP OF A DOCTOR, A WRECKER AND EIGHT MEN TO DELIVER MR. AND MRS. HORACE WALLACE'S CHRISTMAAS PRESENT -- A SEVEN AND ONE-HALF POUND BOY -- IN A SNOWSTORM.

AND THERE WAS ANOTHER SAFE LANDING 95 MILES NORTH OF GOOSE BAY, LABRADOR, WHERE AN AIR TRANSPORT COMMAND PLANE DELIVERING MAIL TO REMOTE WEATHER STATIONS WAS FORCED DOWN. EVERYONE WAS SAFE, SAID THE A.T.C.

AS ALWAYS ON CHRISTMAS, THE ORDER OF THE DAY WAS AN EXPRESSION OF CONTENTMENT. BUT THIS YEAR, AS NEVER BEFORE, AMERICANS INFORMED OF NEEDS IN OTHER LANDS, SOUGHT NOT TO MAKE CONTENTMENT SEEM LIKE SMUGNESS.

IN VIRTUALLY EVERY COMMUNITY IN THE LAND THE NEEDY WERE CARED FOR AND RELIEF WAS BEING SPED OVERSEAS.

NEW YORK, DEC 24-(AP)-DENISE MORIGNAT, ATTRACTIVE 32-YEAR-OLD BLONDE, OF NOUMEA, NEW CALEDONIA, WAS ENFOLDED IN HER FIANCE'S ARMS TODAY -- SEVEN DAYS BEFORE EXPIRATION OF HER WAR BRIDE'S VISA AND AFTER A PLANE FLIGHT HALF WAY ROUND THE WORLD.

WAITING TO GREET HER WHEN HER PLANE ARRIVED FROM THE WEST COAST WAS HER FUTURE HUSBAND, JOSEPH RYAN, 37, A MAIL CARRIER, OF (253 ELM STREET) ALBANY, N.Y. THROUGH A MISUNDERSTANDING ABOUT HER DEPARTURE DATE, RYAN HAD BEEN WAITING AT THE AIRPORT SINCE MONDAY.

EXPLAINING THAT HE HAD MET DENISE WHEN HE WAS A CORPORAL ASSIGNED TO THE BASE CENSOR'S OFFICE IN ARMY INTELLIGENCE IN NOUMEA EARLY IN 1943, RYAN SAID:

"WE HAVE BEEN SEPARATED NOW FOR TWO YEARS AND WE WANT NO FURTHER DELAY. WE WANT TO BE MARRIED AS SOON AS POSSIBLE."

WHEN DENISE ARRIVED IN SAN FRANCISCO YESTERDAYSHE SAID IN LIMITED ENGLISH THAT SHE FLEW TO THE UNITED STATES BECAUSE THE TIME LIMIT FOR HER VISA WAS ALMOST UP. THEN, WITH A FRENCH ACCENT, SHE SAID "I AM SO-O-O 'APPEE."

DEC 1947

UNTIL THE WEDDING, RYAN SAID SHE WOULD RESIDE WITH HIS PARENTS.

NEW YORK, DEC.24-(AP)-RAYMOND BROWN'S CHRISTMAS PRESENT ARRIVED TODAY ABOARD THE LINER QUEEN MARY, BUT THE 32-YEAR-OLD ARMY VETERAN FROM PHILADELPHIA WAS UNABLE TO GET HERE IN TIME TO MEET THE SHIP.

THE PRESENT--MISS FANNY HOCHMAN (CORRECT), OF PRAGUE, SCHECO-SLOVAKIA--SAID SHE HAD ACCEPTED BROWN'S MAILED PROPOSAL OF MARRIAGE AND THAT THE WEDDING WOULD TAKE PLACE SHORTLY.

SPEAKING THROUGH AN INTERPRETER, THE GIRL SAID SHE MET BROWN OF (5734 SPRUCE ST.) PHILADELPHIA, WHILE SHE WAS VISITING AN AUNT IN HAMBURG. THEY INTENDED TO MARRY, SHE SAID, BUT SHE HAD TO RETURN TO PRAGUE. ABOUT SIX MONTHS AGO, SHE ADDED, HE OBTAINED HER ADDRESS FROM A RELATIVE WHO WAS VISITNG IN ATLANTIC CITY, N.J., AND IN CORRESPONDENCE THAT FOLLOWED HE PROPOSED.

FOUR HOURS AFTER THE SHIP DOCKED, STEAMSHIP LINE OFFICIALS LOCATED MISS RACHELLE WEISS, OF (34 SOUTH MASSACHUSETTS AVE.) ATLANTIC CITY, AND HER AUNT, MRS.JEAN MENNEN, WHO HAD COME TO MEET THE CZECHO-SLOVAKIAN GIRL. MRS.MENNEN SAID THAT BROWN WAS TO HAVE MET THEM IN ATLANTIC CITY AND COME ON TO NEW YORK WITH THEM TO MEET THE GIRL.

"I SUPPOSE HE COULDN'T GET AWAY," MRS.MENNEN SAID. "HE WAS WORKING IN A DRUG STORE NEAR THE REXFORD THEATER IN PHILADELPHIA AND PLANNED TO GET THE DAY OFF."

MRS.MENNEN SAID ENGAGEMENT PA[illegible] BE HELD TONIGHT IN ATLANTIC CITY AND THAT SU[illegible]PECTED BROWN TO [illegible]

ATHENS, GREECE, DEC 24-(AP)-A RIFT BETWEEN THE GREEK ARMY AND THE COALITION CABINET OF PREMIER THEMISTOKLES SOPHOULIS OVER NEWSPAPER CENSORSHIP APPEARED TODAY TO BE WIDENING.

AN ARMY COURT MARTIAL YESTERDAY BROUGHT THE EDITOR AND PUBLISHER OF THE LIBERAL PARTY NEWSPAPER, VIMA, BEFORE IT FOR QUESTIONING IN SPITE OF AN EARLIER ORDER FROM SOPHOULIS, HIMSELF A LIBERAL, THAT THE QUESTIONING OF NEWSPAPERMEN WHO CRITICIZED ARMY ACTIONS BE STOPPED.

THE EDITOR OF THE CONSERVATIVE PAPER ETHNOS HAS BEEN DIRECTED TO APPEAR TODAY.

DEC 1947

THE VIMA EXECUTIVES DENIED ACCUSATIONS THAT THEY HAD CREATED UNREST AND HAD SHAKEN CONFIDENCE IN THE ARMED FORCES, AND DECLARED IN A STATEMENT:

"WE REPUDIATED THE CHARGE BECAUSE WE CONSIDER WHAT WE WROTE WAS FAIR COMMENT WITHIN THE PROVISIONS OF THE LAW AND AS AN OBLIGATION OF OURS AS INSTRUMENTS OF PUBLIC OPINION."

SOPHOULIS' ORDER TO THE WAR MINISTRY, HEADED BY GEORGE STRATOS, A POPULIST, DIRECTED THAT INTERROGATION OF NEWSPAPERMEN WHO CRITICIZED THE MILITARY'S RELEASE WITHOUT TRIAL OF SIX RIGHTISTS ARRESTED FOR CARRYING ARMS AND MAKING UNAUTHORIZED INVESTIGATIONS BE HALTED.

GEORGE SYRIOTIS, VIMA'S EDITOR, SAID HE WOULD PRINT IN TODAY'S ISSUE STATEMENTS BY SOPHOULIS AND VICE PREMIER CONSTANTIN TSALDARIS, A POPULIST, CRITICIZING THE ARMY'S ACTION IN IMPOSING CENSORSHIP ON PUBLICATION OF ANY REFERENCE TO THE ARREST OF THE RIGHTISTS AND THE SUBSEQUENT QUESTIONING OF NEWSPAPERMEN.

ONE AFTERNOON PAPER WENT AHEAD AND PUBLISHED THE DETAILS, DESPITE A TELEPHONED ORDER NOT TO. THE PAPER DEMANDED A WRITTEN ORDER FROM THE MILITARY AND SAID IT WAS NOT ACCUSTOMED TO TELEPHONE CENSORSHIP.

THE ATHENS MILITARY COMMANDER, MAJ. GEN. GOULAS, IMPOSED THE CENSORSHIP.

DEC 1947

LONDON, DEC. 24-(AP)-FOLLOWING IS THE TEXT OF A PROCLAMATION ANNOUNCING FORMATION OF A GUERRILLA "FREE GOVERNMENT" IN GREECE, AS BROADCAST BY THE GUERRILLA RADIO SOMEWHERE IN GREECE AND MONITORED AND DISTRIBUTED HERE BY THE LEFTIST GREEK NEWS AGENCY:

TAKING INTO CONSIDERATION, FIRST, THE CONSTITUTIONAL DECREES OF THE DEMOCRATIC ARMY OF AUGUST 10, 1947, AND, SECONDLY, THE NEED WHICH HAS NOW BECOME IMPERATIVE THROUGH THE ANNIHILATION OF OUR NATIONAL INDEPENDENCE AND THE NON-EXISTENCE OF A NATIONAL GOVERNMENT, WE PROCLAIM THE FIRST PROVISIONAL DEMOCRATIC GOVERNMENT OF FREE GREECE. ITS MAIN OBJECTS WILL BE:

FIRST, TO CONTINUE AND DEVELOP BY ALL MEANS THE STRUGGLE OF THE GREEK PEOPLE AGAINST THE FOREIGN IMPERIALISTS AND THEIR GREEK LACKEYS IN ORDER TO RE-ESTABLISH THE FREEDOM AND INDEPENDENCE OF GREECE:

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SECONDLY, ON POPULAR AND DEMOCRATIC LINES, TO TAKE MEASURES TO PROMOTE POPULAR JUSTICE, LAND REFORM, EDUCATION, ETC., AND TO SATISFY THE IMMEDIATE NEEDS OF THE PEOPLE.

TO FURTHER THESE AIMS THE GOVERNMENT WILL ISSUE LAWS AND ORDERS. THE LAWS WILL BE ISSUED BY THE WHOLE GOVERNMENT AND THE ORDERS BY THE MINISTERS CONCERNED, COUNTERSIGNED BY THE PREMIER.

THE LAWS AND ORDERS WILL BE PUBLISHED IN THE OFFICIAL GAZETTE AND WILL BE EFFECTIVE IMMEDIATELY UNLESS OTHERWISE STATED. THE WHOLE WORK WILL BE BASED ON THE DECREES OF THE DEMOCRATIC ARMY OF AUGUST 10, 1947.

FINALLY, AS SOON AS CONDITIONS PERMIT, THE GOVERNMENT WILL ORGANIZE A GENERAL ELECTION FOR A NATIONAL ASSEMBLY.

COMPOSITION OF GOVERNMENT:

PRIME MINISTER AND MINISTER OF WAR, GEN.MARKOS VIFIADES; VICE PREMIER AND MINISTER OF THE INTERIOR, JOHN JOANNIDES; MINISTER OF FOREIGN AFFAIRS, PETROS ROUSSOS; MINISTER OF JUSTICE, MILTIADES PORPHYROGENIS; MINISTER OF FINANCE, VASSILIS BARTZIOTAS; MINISTER OF HEALTH AND SOCIAL WELFARE AND PROVISIONAL MINISTER OF EDUCATION, PETROS KOKKALIS; MINISTER OF AGRICULTURE, DIMITRIOS VLANTAS; MINISTER OF NATIONAL ECONOMY AND PROVISIONAL MINISTER OF FOOD, LEONIDAS STRINGOS; AND DIRECTOR OF THE DEPARTMENT FOR NATIONAL MINORITIES, TO BE APPOINTED.

DEC 1947

VOLOSPES

GUERRILLAS xxx (athens) London

THE LEFTIST GREEK NEWS AGENCY SAID IT MONITORED THE BROADCAST ANNOUNCEMENT WHICH ASSERTED THE "FIRST PROVISIONAL DEMOCRATIC GOVERNMENT OF FREE GREECE" HAD BEEN ESTABLISHED, WITH COMMUNIST GUERRILLA LEADER MARKOS VIFIADES AS PREMIER AND WAR MINISTER.

THE AGENCY QUOTED THE BROADCAST AS SAYING THE FORMATION OF THE NEW "GOVERNMENT" HAD BECOME IMPERATIVE, THROUGH THE ANNIHILATION OF OUR NATIONAL INDEPENDENCE AND THE NON-EXISTENCE OF A NATIONAL GOVERNMENT." THE NEW REGIME'S AIMS WERE GIVEN AS:

"FIRSTLY, TO CONTINUE AND DEVELOP BY ALL MEANS THE STRUGGLE OF THE GREEK PEOPLE AGAINST THE FOREIGN IMPERIALISTS AND THEIR GREEK LACKEYS IN ORDER TO REESTABLISH THE FREEDOM AND INDEPENDENCE OF GREECE. SECONDLY, ON POPULAR AND DEMOCRATIC LINES, TO TAKE MEASURES TO PROMOTE POPULAR JUSTICE, LAND REFORMS, EDUCATION, ETC., AND TO SATISFY THE IMMEDIATE NEEDS OF THE PEOPLE."

DEC 1947

NICHOLAS ZACHARIADES, SECRETARY GENERAL OF THE GREEK COMMUNIST PARTY, WAS NOT MENTIONED IN CONNECTION WITH THE NEW REGIME.

MILITIADES POPPHYROGENNIS, MINISTER OF JUSTICE IN THE COMMUNIST STATE, WAS QUOTED BY THE GREEK NEWS AGENCY AS ASSERTING THAT THE REGIME WANTED FRIENDLY RELATIONS "WITH ALL STATES WITHIN THE FRAMEWORK OF THE UNITED NATIONS," AND SAYING:

"WE WILL FURTHER STRENGTHEN OUR RELATIONS WITH THE U.S.S.R., THE POPULAR DEMOCRACIES AND ALL DEMOCRATIC PEOPLES. X X X WE KNOW THAT WE HAVE ON OUR SIDE, THE GREEK PEOPLE AND THE DEMOCRATIC (GUERRILLA) ARMY, WHICH IS AN UNCONQUERABLE FORCE."

VOLOSPES

Athens xxx STRATEGIC POINT. THERE WAS NO EXCITEMENT AMONG THE CIVILIAN POPULATION OF ATHENS.

IT WAS REGARDED AS LIKELY THAT WELL-KNOWN COMMUNISTS WOULD BE ROUNDED UP NOW AS A MEASURE FOR SECURITY, AND THAT THE PARTY WOULD BE DISSOLVED.

A HIGH AUTHORITY SAID THE GOVERNMENT WOULD "REMAIN ALERT AND SEE WHAT THE NEXT STEP WILL BE."

USUALLY RELIABLE SOURCES SAID A "BRIGADE WITH THE STRENGTH OF A DIVISION" WAS STTATIONED AT BITOLJE IN YUGOSLAVIA. OTHER SOURCES REPORTED A "FOREIGN DIVISION" AT DJEVDJELI IN YUGOSLAVIA. BOTH CITIES LIE ON THE HISTORIC INVASION ROUTES TO GREECE, BITOLJE IN THE MONASTIR GAP AND DJEVDJELI IN THE VARDAR VALLEY.

IT ALSO WAS POINTED OUT THAT GREECE AND ALBANIA STILL ARE TECHNICALLY AT WAR.

AFTER THE FIRST FLURRY OF EXCITEMENT CREATED BY THE ANNOUNCEMENT, GREEK AUTHORITIES SAID THE EVENT DID LITTLE TO CHANGE THINGS EXCEPT TO MAKE CLEAR THE POSITION OF THE COMMUNIST PARTY IN GREECE.

IF RUSSIA AND HER BALKAN SATELLITES RECOGNIZE THE NEW STATE AND POUR IN AID, HOWEVER, THAT WOULD CHANGE THE SITUATION, THEY POINTED OUT.

ONE UNCONFIRMED REPORT TONIGHT SAID VIFIADES HAD TAKEN HIS ACTION IN THE HOPE OF COMPELLING COMMUNISTS IN YUGOSLAVIA, BULGARIA AND ALBANIA TO EXTEND MORE ACTIVE SUPPORT.

FOREIGN MINISTER CONSTANTIN TSALDARIS CONFERRED WITH BRITISH AMBASSADOR SIR CLIFFORD NORTON AND UNITED STATES CHARGE D'AFFAIRES KARL RANKIN AND DWIGHT GRISWOLD, ADMINISTRATOR OF U.S. AID, TONIGHT. AFTERWARDS, HE DECLARED IMMEDIATE PREVENTIVE ACTION SHOULD BE TAKEN BY THE UNITED NATIONS TO FORESTALL FURTHER AGGRAVATION OF THE BALKAN SITUATION.

DEC 1947

THE DECLARATION OF A COMMUNIST STATE WAS NO GREAT SURPRISE HERE AS IT HAD BEEN FORECAST LAST AUGUST BY VIFIADES WHO SAID HE WAS SETTING UP A PROVISIONAL MILITARY REGIME TO FUNCTION UNTIL A "FREE GREECE" GOVERNMENT COULD BE ORGANIZED.

THAT ANNOUNCEMENT, LIKE TODAY'S, LISTED NO CAPITAL, AND OBSERVERS BELIEVED THE LONG DELAY HAD BEEN OCCASIONED BY COMMUNIST HOPES OF CAPTURING A SIZEABLE NORTHERN CITY FOR A CAPITAL AND INDUCING NON-COMMUNISTS TO JOIN THE MOVEMENT.

(A LEFTIST GREEK NEWS AGENCY IN LONDON WHICH MONITORED THE BROADCAST QUOTED PORPHYROYENNIS AS SAYING GREECE HAD BEEN "ENSLAVED TO FOREIGN POWERS" AND THAT THE FORMATION OF A NEW STATE HAD BECOME IMPERATIVE BECAUSE OF THE "ANNIHILATION OF OUR NATIONAL INDEPENDENCE AND THE NON-EXISTENCE OF A NATIONAL GOVERNMENT." HIS BROADCAST SAID THE NEW GOVERNMENT WOULD TRY TO STRENGTHEN RELATIONS WITH SOVIET RUSSIA AND NEIGHBORING "DEMOCRATIC" STATES.)

JJ/WW608PES

ATHENS, DEC 24-(AP)-GREEK ARMY HEADQUARTERS AT VOLOS WAS REPORTED TODAY TO HAVE INTERCEPTED A RADIO "ANNOUNCEMENT" THAT GEN.MARKOS VIFIADES, GREEK GUERRILLA LEADER, HAD PROCLAIMED THE ESTABLISHMENT OF AN INDEPENDENT COMMUNIST "GOVERNMENT" SOMEWHERE IN NORTHERN GREECE.

AN ATTEMPT BY THE GUERRILLAS TO SET UP SOME SORT OF REGIME IN OPPOSITION TO THE ATHENS GOVERNMENT LONG HAS BEEN ANTICIPATED HERE.

DNGOPES

VIFIADES, WHOM GREEK TROOPS HAVE BEEN UNSUCCESSFULLY ATTEMPTING TO HUNT DOWN, ANNOUNCED THROUGH A GUERRILLA BROADCAST SEVERAL MONTHS AGO THAT HE HAD ASSUMED ALL AUTHORITY IN GUERRILLA-HELD AREAS PENDING ESTABLISHMENT OF A "PROVISIONAL DEMOCRATIC GOVERNMENT."

ATHENS OBSERVERS HAVE SPECULATED THAT RUSSIA AND HER BALKAN SATELLITES WOULD IMMEDIATELY RECOGNIZE ANY COMMUNIST "GOVERNMENT" SET UP BY VIFIADES, THEREBY GIVING AN EXCUSE TO EXTEND MILITARY AID TO THE GUERRILLAS.

ALBANIA, YUGOSLAVIA AND BULGARIA HAVE BEEN ACCUSED BY THE ATHENS GOVERNMENT OF ABETTING THE GUERRILLAS, AND THE CHARGES SUSTAINED BY A MAJORITY REPORT OF THE UNITED NATIONS BALKANS COMMISSION.

ALL THREE HAVE REFUSED TO COOPERATE WITH A BALKAN WATCHDOG COMMISSION APPOINTED BY THE U.N.

DEC 1947

FOREIGN MINISTER CONSTANTION TSALDARIS, MINISTER OF WAR GEORGE STRATOS AND GEN.YADZIS, CHIEF OF STAFF, IMMEDIATELY WENT INTO CONFERENCE AT THE FOREIGN MINISTRY FOLLOWING RECEIPT OF REPORTS CONCERNING THE VIFIADES ANNOUNCEMENT.

THERE WAS A DISPOSITION ON THE PART OF SOME GOVERNMENT OFFICIALS TO REGARD THE BROADCAST AS MERELY PART OF THE COMMUNIST "WAR OF NERVES."

INFORMED SOURCES, HOWEVER, SAID THAT IF VIFIADES REALLY HAS SET UP AN OPPOSITION "GOVERNMENT" THE UNITED NATIONS WILL BE ASKED TO INTERVENE.

UNOFFICIALLY IT WAS SAID THE VIFIADES ANNOUNCEMENT WAS APPARENTLY BROADCAST BY A STATION OUTSIDE GREECE--PRESUMABLY IN ANOTHER BALKAN NATION. VIFIADES WAS SAID TO BE TAKING THE POST OF PREMIER IN THE NEW "GOVERNMENT".

PARIS, DEC.24-(AP)-SAMUEL RAKOTONDRAB AND NINE OTHER NATIVES OF MADAGASCAR WERE SENTENCED TO DEATH TODAY FOR FOMENTING A RECENT REBELLION, THE SEMI-OFFICIAL FRANCE PRESS AGENCY REPORTED TONIGHT FROM TANANARIVE.

WW840PES

FIGURE.XXX Paris

THE COMMUNISTS AND DE GAULLISTS JOINED IN SUPPORTING THOSE AMENDMENTS, OVER STRONG GOVERNMENT OBJECTIONS.

THE GOVERNMENT ACCEPTED ANOTHER AMENDMENT CALLING FOR ELIMINATION OF THE POSITIONS OF 150,000 OF TODAY'S ESTIMATED 1,000,000 (MILLION) PUBLIC JOBHOLDERS. MOST OF THE POSITIONS ELIMINATED WOULD BE IN THE GREAT NATIONALIZED INDUSTRIES, SUCH AS THE POWER NETWORK.

MAYER'S "AUSTERITY" PROGRAM ALSO CALLS FOR INCREASED TAXES ON ALCOHOL, PRECIOUS METALS, RADIOS, SPICES, TOBACCOS AND OTHER LUXURY ITEMS, AND FOR A SPECIAL ANNUAL LEVY OF $3,300 ON NIGHT CLUBS. NEW NIGHT CLUBS WOULD BE BANNED AFTER JAN.1.

NUERNBERG, GERMANY,DEC.24-(AP)-THE OFFICE OF RUEDT VON COLLENBERG, FORMER GERMAN MINISTER TO MEXICO, WAS THE HEADQUARTERS FOR A RING OF GERMAN SABOTEURS OPERATING IN THE UNITED STATES EVEN BEFORE PEARL HARBOR, DR.ROBERT M.W.KEMPNER, SAID TODAY.

DEC 1947

KEMPNER, A WAR CRIMES PROSECUTOR PREPARING THE CASE AGAINST 21 FORMER OFFICIALS IN THE NAZI FOREIGN OFFICE, SAID VON COLLENBERG HAD REVEALED THE RING'S WIDESPREAD OPERATIONS IN A PRE-TRIAL INTERROGATION.

ACCORDING TO KEMPNER, VON COLLENBERG TOLD THIS STORY:

SO MANY SABOTEURS WERE SENT TO HIS MEXICO CITY OFFICE BY THE NAZIS THAT HE FOUND IT INCREASINGLY DIFFICULT TO CONCEAL THE ACTIVITIES.

VON COLLENBERG'S ORDERS WERE TO INFLICT AS MUCH DAMAGE ON THE UNITED STATES BY SABOTAGE AS POSSIBLE WITHOUT PROVOKING THE UNITED STATES INTO DECLARING WAR AGAINST GERMANY.

THE VIGILANCE OF THE U.S. FEDERAL BUREAU OF INVESTIGATION MADE THESE SABOTAGE OPERATIONS DIFFICULT--AND EXPENSIVE.

"THE NAZI AGENTS DEMANDED INCREASINGLY LARGE AMOUNTS OF MONEY FOR THEIR WORK," KEMPNER SAID VON COLLENBERG TOLD HIM, "BECAUSE THEY FEARED THE FBI WAS ON THEIR HEELS. THEY FEARED NOBODY WORSE THAN J.EDGAR HOOVER, THE FBI DIRECTOR, AND SUSPECTED THEY WERE UNDER CONSTANT OBSERVATION BY HIS G-MEN."

ONE NAZI AGENT COLLECTED $50,000 AT ONE TIME, HE RELATED.

DESPITE THE FBI'S WATCH, HOWEVER, VON COLLENBERG CLAIMED MANY DESTRUCTIVE ACTS OF SABOTAGE WERE SUCCESSFULLY PERPETRATED.

HE CITED THE DESTRUCTION OF AN OIL PIPELINE NEAR TEXAS CITY, TEXAS, SABOTAGE OF AN "IMPORTANT" RUBBER FACTORY ON THE EAST COAST, AND VARIOUS ACTS OF SABOTAGE IN EAST COAST PORTS, PARTICULARLY IN NEW JERSEY.

KEMPNER PREDICTED THE TRIAL OF THE FOREIGN OFFICE OFFICIALS, BEGINNING NEXT MONTH, WILL REVEAL FURTHER DETAILS OF THE SABOTAGE.

BJ143PES

Warsaw, Poland, Dec. 24-(AP)-The first 21 of 100 Americ

By Poland to the Tri

locomotives, bought with aid of a $50,000,000 credit advanced by the

United States, arrived today at Gdynia.

DEC 1947

WARSAW, DEC 24-(AP)-LEONARD GRUMET OF SAN FRANCISCO, TEACHER OF ENGLISH AT THE UNIVERSITY OF LODZ, SAID TODAY HE WROTE IN A RECENT ARTICLE FOR A LODZ NEWSPAPER: "I AM PROUD OF BEING AMERICAN, BUT I AM ASHAMED OF THE REACTIONARY ACTIONS OF THE TRUMANS, THE TAFTS, THE VANDENBERGS AND THE HOOVERS."

GRUMET, 39, SAID IN AN INTERVIEW HE FORMERLY WAS AN INTERNATIONAL DELEGATE FROM SAN FRANCISCO OF THE CONGRESS OF INDUSTRIAL ORGANIZATIONS (CIO) AND THAT AT PRESENT HE IS WRITING ARTICLES FOR THE LODZ WEEKLY, KUZNICA.

GRUMET SAID HE PLANS TO REMAIN POLAND ANOTHER SIX MONTHS, TEACHING AT LODZ. HE SAID HE WAS BEING PAID BY THE POLISH MINISTRY OF EDUCATION FOR HIS TEACHING WORK.

CHAROV SAID xxx Sofia, Bulgaria

HE SAID THE STATE TOOK THEM OVER PRIOR TO INTRODUCTION OF THE NATIONALIZATION BILL "IN ORDER TO AVOID EVERY POSSIBLE SABOTAGE."

THE PENALTY CLAUSE OF THE BILL PROVIDES THAT "WHOEVER ENTERS ACTIVITIES AIMING TO FRUSTRATE OR HINDER NATIONALIZATION OR DESTROYS, DAMAGES, CONCEALS, REMOVES OR HOWEVER DIMINISHES THE VALUE OF PROPERTY SUBJECT TO NATIONALIZATION, OR SUBMITS TO STATE ORGANS INCORRECT OR INCOMPLETE DATA COVERING SUCH PROPERTY IS UNISHABLE FOR SABOTAGE UNDER THE BILL FOR DEFENSE OF THE PEOPLE'S POWER, IN ADDITION TO THE PENALTY PROVIDED WHEREIN ALL THE PROPERTIES ARE CONFISCATED."

PREMIER DIMITROV FORMED A NEW FATHERLAND FRONT GOVERNMENT DEC. 11, NAMING 12 COMMUNIST MINISTERS, FIVE AGRARIANS AND FOUR SOCIALISTS, AFTER EFFECTIVE POLITICAL OPPOSITION HAD BEEN SUPPRESSED.

DEC 1947

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GOVERNMENT.

TILDY SAID THAT CIVILIZATION HAS REACHED A DECISIVE PERIOD AND THAT "EVERYWHERE, WE CAN HEAR VOICES LONGING FOR PEACE."

"I FEEL SURE THAT HE WHO BUILDS UPON THE RUINS BY THE SWEAT OF HIS TOIL AND LAYS THE FOUNDATION FOR A BETTER AND MORE HUMANE WORLD CANNOT DESIRE WAR," HE SAID.

BJ146PES

BUCHAREST, DEC. 24-(AP)-COMMUNIST EMIL BODNARAS WAS APPOINTED MINISTER OF NATIONAL DEFENSE TODAY, GIVING THE COMMUNISTS CONTROL OF ALL KEY POSTS IN THE ROMANIAN GOVERNMENT.

COMMUNIST MINISTERS NOW HOLD THE PORTFOLIOS OF FOREIGN AFFAIRS, NATIONAL DEFENSE, TRADE AND INDUSTRY, AND COMMERCE. (PREMIER PETRU GROZA IS A MEMBER OF THE LEFTIST PLOUGHMAN'S FRONT.)

BODNARAS, A FORMER UNDERSECRETARY OF STATE OF THE PRESIDENCY, IS A GENERAL IN THE RESERVE. HE LEFT THE ARMY TO JOIN THE COMMUNIST PARTY IN THE EARLY '30S.

ONE OF THE ORGANIZERS OF THE COUP D'ETAT OF AUG. 23, 1944, HE FORMED A VOLUNTEER CORPS OF ABOUT 3,000 ARMED COMMUNISTS WHO TOOK OVER KEY POSITIONS IN BUCHAREST FROM THE GERMANS.

AFTERWARD HE WAS HEAD OF THE ROMANIAN SECURITY POLICE.

HE SUCCEEDS GEN. MIHAIL LASCAR, WHO HAS BEEN GIVEN ANOTHER APPOINTMENT.

MADRID, DEC.24-(AP)-SEMI-OFFICIAL REPORTS WITHOUT CONFIRMATION SAID TONIGHT A FRENCH DIPLOMATIC MISSION AND THE SPANISH FOREIGN OFFICE HAD REACHED A TENTATIVE AGREEMENT ON REOPENING THE FRENCH-SPANISH BORDER JAN.5.

MADRID, DEC.24-(AP)-AGUSTIN ZOROA SANCHEZ, UNOFFICIALLY IDENTIFIED AS THE HEAD OF THE COMMUNIST PARTY IN SPAIN, AND FOUR OTHERS HAVE BEEN SENTENCED TO DEATH AND PROBABLY WILL BE EXECUTED SOON, IT WAS LEARNED FROM RELIABLE QUARTERS TODAY.

ZOROA, WHOSE ARREST WAS ANNOUNCED BY THE SPANISH GOVERNMENT ON NOV.7, 1946, WENT ON TRIAL AT THE PRISON TOWN OF OCANA ON DEC.19 BEFORE A MILITARY COURT.

CHARGES AGAINST HIM INCLUDED: POSSESSION OF A LETTER FROM THE GENERAL HEADQUARTERS OF THE FRENCH COMMUNIST PARTY, POSSESSION OF EXPLOSIVES, AND DIRECTION OF COMMUNIST ACTIVITIES IN SPAIN AS SECRETARY GENERAL OF THE PARTY.

B8S

ROME, DEC 24-(AP)-ANSA, THE ITALIAN NEWS AGEN[illegible]ID TONIGHT ITALY'S MINISTER AT BELGRADE, ENRICO MARTINI, HA[illegible]ED THE FOREIGN MINISTRY OF YUGOSLAVIA'S AGREEMENT TO RE[illegible]E "ANTONIA MADRE," A MOTOR FISHING BOAT THAT HAS BEEN SEQUE[illegible]T SPALATO.

THE QUESTION OF SEQUESTERING ITALIAN FISHING B[illegible] OF WHICH WERE REPORTED YESTERDAY TO HAVE BEEN SEIZED BY YUG[illegible] WARSHIPS IN THE ADRIATIC--IS BEING STUDIED AS PART OF THE TRA[illegible]OTIATIONS UNDERWAY BETWEEN ITALY AND YUGOSLAVIA, ANSA SAID.

RESIDENTS OF APULIA, LARGELY DEPENDENT UPON FISHIN[illegible]TESTED YESTERDAY THAT THE YUGOSLAV CONFISCATIONS MENACED THE R[illegible]ON'S ECONOMY.

LONDON, THURSDAY, DEC.25-(AP)-NEW TIMES, SOVIET FOREIGN POLICY PUBLICATION, SAID TODAY THE FAILURE OF THE LONDON FOUR POWER FOREIGN MINISTERS CONFERENCE WAS "UNMISTAKABLE EVIDENCE OF THE DEPLORABLE FACT THAT THE U.S.A., GREAT BRITAIN AND FRANCE HAVE DECIDED TO ABANDON COOPERATION AMONG THE GREAT POWERS."

THE NEW TIMES EDITORIAL, QUOTED BY THE RUSSIAN NEWS AGENCY TASS AND DISTRIBUTED HERE BY THE SOVIET MONITOR, SAID THE CONFERENCE FAILURE ALSO MEANT "THE BREAKDOWN OF THE FRAMING OF A DEMOCRATIC PEACE FOR GERMANY."

THIS WAS CONFIRMED, NEW TIMES SAID, BY WORLD PRESS REPORTS THAT PREPARATIONS ARE "BEING MADE TO SET UP A PUPPET GOVERNMENT IN WESTERN GERMANY AND THAT THE THREE POWERS ARE SHORTLY TO CONFER ON THE GERMAN QUESTION."

THE EDITORIAL ADDED THAT "THERE CAN BE NO DOUBT THE BRAZEN AND ADVENTURIST POLICY OF INFLATED AMERICAN IMPERIALISM WILL IN THE END REBOUND ON ITS OWN HEAD" AND THAT "DEMOCRATIC FORCES" WOULD NOT ALLOW "AN IMPERIALIST PEACE TO BE IMPOSED UPON THE NATIONS."

WW849PES

(EDITOR'S NOTE: JAMES M.LONG, VETERAN ASSOCIATED PRESS FOREIGN CORRESPONDENT NEWLY ASSIGNED TO PALESTINE, RAN INTO TROUBLE IN THE ARAB-JEWISH CONFLICT OVER PARTITION EVEN BEFORE HE HAD REPORTED FOR DUTY IN JERUSALEM. HE WAS UNDER FIRE YESTERDAY FROM ARAB SNIPERS ON THE ROAD FROM LYDDA AIRPORT TO JERUSALEM. A SWEDISH COMPANION, HARALD HAGG, WAS WOUNDED. LONG TELLS ABOUT IT IN THE FOLLOWING DISPATCH.)

--DASH--

BY JAMES M.LONG

JERUSALEM,DEC.24-(AP)-I ARRIVED IN PALESTINE IN HOLY WEEK.

WITHIN TWO HOURS AFTER STEPPING FROM THE PLANE I HAD BEEN TWICE UNDER FIRE, TAKEN SHELTER IN ROCKS AND SEEN A SWEDISH JOURNALIST BESIDE ME SHOT THROUGH AN ARM AND A LEG IN THIS LAND WHERE PEACE ON EARTH AND GOOD WILL TOWARD MEN WAS BORN.

MY PARTY OF SIX WAS ATTACKED BY SNIPERS WHILE EN ROUTE FROM LYDDA AIRPORT TO JERUSALEM YESTERDAY AND WAS FORCED TO TURN BACK.

AS WE DROVE BACK INTO LYDDA, ONE OF THE OTHERS WHO ESCAPED INJURY SAID, "MERRY CHRISTMAS."

LATER I WAS TO DRIVE AGAIN OVER THE SAME MOUNTAINOUS ROAD IN A CAR WITH TWO PALESTINE POLICEMEN WHO OFFERED A LIFT. WE WENT WITHOUT INCIDENT THROUGH THE STEEP GORGE SITE OF THE EARLIER AMBUSH.

ON THE FIRST ATTEMPT WE LEFT LYDDA AIRPORT, WHICH IS GUARDED BY MACHINEGUNS, IN A DUTCH AIRLINES STATION WAGON WITH AN ARAB DRIVER AND FIVE OTHER PASSENGERS. WE WERE UNESCORTED.

WE HAD BEEN TOLD THERE WAS A SORT OF TRUCE IN THE SNIPING SO BOTH SIDES COULD GET IN THE ORANGE HARVEST. THE FRUIT IS JUST RIPENING IN THE COASTAL LOWLANDS, WHERE ROSES AND POINSETTIAS ARE IN BLOOM.

PASSING THROUGH THE COUNTRYSIDE OF BIBLICAL FAME, WE SAW ARABS PLOWING WITH CAMELS, TRADERS RIDING DONKEYS, VEILED WOMEN, GOATHERDS, CACTUS HEDGES AND CLAY PLASTER VILLAGES.

IN THE DEEPEST OF THE GORGES MIDWAY TO JERUSALEM, THE WAY WAS BLOCKED BY A BRITISH ARMORED CAR AND A PALESTINE POLICE CAR. THE OCCUPANTS WERE SHOOTING IT OUT WITH SNIPERS HIDDEN IN HILLSIDE ROCKS.

WE WERE WAVED BACK.
WE CAME UNDER FIRE AT ONCE. OUR DRIVER BACKED THE CAR AROUND A TURN, THEN TRIED TO TURN AROUND IN THE ROAD TO GET AWAY.
SNIPER FIRE RANG OUT FROM THE HILLSIDES AND HARALD HAGG, THE SWEDISH JOURNALIST, WHO ARRIVED IN THE SAME PLANE WITH ME TWO HOURS BEFORE CRIED OUT:
"THEY'VE GOT ME. I THINK I SHALL NEED A DOCTOR."
HE WAS BLEEDING BADLY. THE ARTERY IN HIS RIGHT ARM WAS CUT BY A BULLET.
WE BANDAGED HIM THE BEST WE COULD UNDER FIRE, TAKING SHELTER EVERY FEW MINUTES IN ROCKS ALONG THE ROADSIDE UNTIL A BRITISH ARMORED CAR CAME ALONG AND GAVE US COVERING FIRE WHILE WE GOT BACK INTO THE CAR.

SECOND NIGHT LEAD CHRISTMAS
BY CARTER L.DAVIDSON
BETHLEHEM, DEC.24-(AP)-THE SMALLEST CROWD IN 20 YEARS, AND THAT MADE UP MAINLY OF BRITISH TROOPS LED BY LT.GEN.G.H.A.MACMILLAN AND PALESTINE HIGH COMMISSIONER SIR ALAN CUNNINGHAM, VISITED THE BIRTHPLACE OF THE PRINCE OF PEACE TONIGHT.
IT WAS THE LAST CHRISTMAS EVE IN PALESTINE FOR BRITISH TROOPS AFTER 30 YEARS OF OCCUPATION.
CIVILIANS ABOUT BETHLEHEM'S HOLY PLACES TONIGHT NUMBERED ONLY A BARE 100 AND THE SOLDIERS ABOUT 500.
A CHILL RAIN ENDED AND STARS APPEARED OVER THE SPOT WHERE, TRADITION SAYS, THE CHRIST CHILD LAY, BUT FEAR OF VIOLENCE WHICH HAS GRIPPED THE HOLY LAND FOR THE PAST MONTH, KEPT CHRISTMAS CELEBRANTS OF OTHER YEARS AT HOME.
A VETERAN BRITISH POLICE OFFICIAL SAID THE WEATHER "HAS BEEN WORSE, BUT NEVER HAVE CHRISTIANS BEEN SO AFRAID TO COME OUT."
MANGER SQUARE, WHICH IN PAST YEARS HAS BEEN JAMMED WITH FERVENT WORSHIPPERS ON CHRISTMAS EVE, LOOKED BARE TONIGHT. A FEW KHAKI CLAD TROOPS WITH RIFLES AND STEN GUNS GATHERED IN SMALL GROUPS AND ARMY TRUCKS WERE LINED UP ALONG THE STREETS.
ONE NEWLY ARRIVED AMERICAN SAID:
"THIS IS CHRISTMAS FOR THOSE WHO BELIEVE IN GOD AND HAVE A GUN."
THE HIGHWAY BETWEEN JERUSALEM AND BETHLEHEM MADE DRIVING TREACHEROUS AFTER A DAY OF HEAVY RAIN AND WAS ALMOST DESERTED. AN OCCASIONAL ARMY SHUTTLE CONVOY TRAVELED OVER IT, BRINGING SOLDIERS TO PRAY AT THE GROTTO OF THE CHURCH OF THE NATIVITY WHERE MARY GAVE BIRTH TO JESUS CHRIST.

BY EDWARD CURTIS
BETHLEHEM, DEC.24-(AP)-TWO NUNS SAT ON A LOW STONE BENCH AGAINST A WALL KEEPING A VIGIL TONIGHT IN A GROTTO BENEATH THE CHURCH OF THE NATIVITY.
A PRIEST KNELT BEFORE A GOLDEN STAR WHICH MARKS THE PLACE WHERE JESUS OF NAZARETH WAS BORN, AND THREE OTHERS PRAYED BEFORE THE MANGER WHERE THE CHRIST CHILD WAS LAID IN SWADDLING CLOTHES.
A BRITISH ARMY CHAPLAIN CAME DOWN THE WORN STONE STEPS INTO THE GROTTO. BEHIND HIM WERE ABOUT 15 RED BERETED TROOPERS OF THE SIXTH AIRBORNE, THEIR BERETS IN ONE HAND AND STEN GUNS OVER THEIR SHOULDERS. HE LED THEM TO THE MANGER.
"HERE," THE CHAPLAIN SAID QUIETLY AND REVERENTLY, "IS THE HOLIEST PLACE ON EARTH AND YET SOLDIERS COME HERE WITH GUNS. BUT THE SITUATION IS SUCH THAT THAT'S THE WAY IT IS."
"THIS IS THE CENTRAL SHRINE FOR ALL CHRISTENDOM," THE PADRE CONTINUED. A SIX-FOOT TROOPER PULLED HIS CAMOUFLAGED CLOTH JACKET TIGHTER AGAINST THE GROTTO'S CHILL.
"HERE," THE CHAPLAIN SAID, "IS ONE STABLE THING FOR ALL OF THOSE WHO BELIEVE IN THE PRINCE OF PEACE."

A GREEK ORTHODOX PRIEST, HIS BEARDED, BENEVOLENT FACE A STUDY OF SHADOWS IN THE CANDLELIGHT, SAT AT THE TOP OF THE GROTTO STAIRS. TO ALL WHO PASSED HE HELD OUT A TRAY, SAYING "SOMETHING PLEASE. SOMETHING FOR THE CHURCH."
INTERMITTENT CHILLY RAINS SWEPT MANGER SQUARE IN FRONT OF THE CHURCH OF THE NATIVITY WHICH, FOR THE FIRST CHRISTMAS EVE IN YEARS, WAS ALMOST EMPTY OF PILGRIMS.
GUIDES SEIZED UPON THE FEW CHANCE VISITORS WHO CAME HERE, OFFERING FIRST TO SHOW THEM ABOUT THE CHURCH AND THEN TO A SHOP "MY FAMILY OWNS" TO PURCHASE BIBLES, OLIVE WOOD ROSARIES AND CROSSES.
WW708PES

NEW DELHI, INDIA, DEC. 24-(AP)-INDIAN TROOPS RESCUED SEVERAL KIDNAPED WOMEN AND KILLED EIGHT OF THEIR CAPTORS TODAY WHEN THEY INTERCEPTED A BAND OF SAVAGE TRIBESMEN NEAR THE PAKISTAN BORDER IN BELEAGUERED KASHMIR STATE.
THE TRIBESMEN LOOTED HOUSES AND SEIZED THE WOMEN NEAR JAMMU, WINTER CAPITAL OF KASHMIR, AND ATTEMPTED TO FLEE INTO PAKISTAN ON CAMEL AND HORSEBACK, AN INDIAN DEFENSE MINISTRY COMMUNIQUE SAID.
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NEW DELHI, DEC.24-(AP)-OFFERING THE SEASON'S GREETINGS TO CHRISTIANS IN INDIA AND OTHER LANDS, MOHANDAS K.GANDHI SAID TODAY HE HOPED CHRISTIANS ALL OVER WOULD "ENFORCE IN THEIR OWN LIVING THE TEACHING OF JESUS CHRIST."
ADDRESSING HIS PRAYER MEETING THE 78-YEAR-OLD INDIAN SPIRITUAL LEADER SAID "CHRISTMAS BEING A HOLY DAY SHOULD MAKE ONE EXAMINE ONESELF AND DO BETTER NEXT YEAR. THE DAY IS NOT MEANT FOR INDULGENCE IN DRINKS, DANCES, MERRY-MAKING X X X OUR OWN BODIES ARE THE REAL CHURCHES AND NOT STONE BUILDINGS."

END
FOR
DEC/24/47

500 Seized in Red-Led Plot To Assassinate Greek Chiefs

DEC 1947

FORMER PREMIER CHOSEN AS VICTIM IN FIRST ATTEMPT

DEC 1947

Two Communists Seized on Street with Weapons Reveal Conspiracy.

ROUNDUP FOLLOWS

Arrests Come as Guerrillas Announce Provisional Government for Greece.

ATHENS, Dec. 25—(AP) Police announced tonight they had rounded up 500 persons in connection with a communist-inspired plot to assassinate a number of prominent Greek politicians, including former Premier Stylianos Gonatas.

The announcement came a little more than 24 hours after Gen. Markos Vifiades, the leader of the anti-government forces in northern Greece, proclaimed in a radio broadcast the setting up of an independent communist state in the fighting zone.

Police said they got their first intimation of the plot after questioning two communists charged with shooting and killing a policeman on the streets of Athens on Dec. 9.

Suspects Reveal Plot

The police said the men confessed the plot and gave the name of 71-year-old Gonatas, leader of the National Liberal (pro-royalist) party as one of the political leaders slated for assassination. Gonatas was minister of public works in the last government, which yielded to the coalition now headed by Premier Themistokles Sophoulis, a Liberal Republican.

Three hundred and fifty persons were arrested in Athens and Piraeus. At least another hundred were reported arrested in Kiphissia, a fashionable Athens suburb.

In a communique police said that Opla, Athens terrorist organization, plotted Gonatas' assassination after a careful study of his habits.

They selected a prominent corner of Athens between a library and university buildings.

Policeman Slain

Several different dates were named for the shooting. Each rendezvous was unsuccessful. After again failing on Dec. 9 the plotters were stopped by police while carrying their arms in a suitcase. It was then that the policeman was shot and killed.

There was nothing new from communist sources on the creation of the so-called "First Provisional Democratic Government of Free Greece," as announced by the guerrilla radio.

Capital Not Revealed

The geographical location of the state and its capital have not been disclosed. Gen. George Papageorgiou, commander of the Third Army corps, said at Salonika he believed the Vifiades regime had been established somewhere in Albania. He said Greek troops in the north had found no traces of such a regime established there.

Other Greek military men have said they believed Vifiades has his headquarters in Yugoslavia.

Premier Sophoulis predicted that the communist state probably would be recognized by Albania, Yugoslavia and Bulgaria.

The police announcement said officials had anticipated violence by Athens Communists ever since the guerrilla radio accused urban comrades of "lagging behind" the mountain fighters of northern Greece in the campaign against "fascists."

The same clandestine radio recently announced that Vifiades had offered a reward for the assassination of Gonatas.

Six persons were arrested in connection with the murder of the policeman, the police announcement said, and their confessions implicated another 50. Further confessions of the 50 implicated more than 500 persons who were members of the Communist party or were collaborating with Communists, police said.

Those arrested today were described as "dangerous to security."

Because military law now prevails in Greece, they will be tried by court-martial.

Constantine Rentis, Minister of Public Order, appealed to the gendarmerie and the national guard today to redouble their efforts in fighting the Communist state. He said Vifiades's proclamation clarified the situation in Greece and that in the future all Leftists would have to declare themselves for or against the rebels.

French Communists Predict Recognition

Paris Dec. 25 (AP)—The French Communist press predicted tonight the Communist-controlled nations will recognize Gen. Markos Vifiades, guerrilla chieftain, as head of the legal government of Greece, and warned the United States it assumed "heavy responsibility" in further aid to the Athens regime.

The report that General Markos had proclaimed the creation of his own government in the northern Greece mountains drew large headlines in *L'Humanité*, organ of the French Communist party, and in *Ce Soir*, the second Communist newspaper in France.

[Moscow newspapers printed brief Tass agency dispatches from Athens announcing formation of the Vifiades Government, but carried no editorial comment. Tass said the announcement caused Government leaders in Athens to hold hurried consultations with United States and British representatives, giving Soviet readers the impression the proclamation had caused considerable consternation in the Greek capital.]

The conservative newspaper *Le Monde* said the announcement meant that the Communist neighbors of Greece can furnish arms "more openly" to guerrillas fighting the Athens regime, recipient of $300,000,000 in aid under the Truman program.

Cominform Activity

"In reality, the formation of the Markos Government is a new manifestation of Cominform activity," said *Le Monde*, The Cominform is the Communist international information bureau set up in Belgrade by the Soviet Union and states within her sphere of influence to combat the Truman program and the European recovery program.

L'Humanite declared that "since yesterday Greece has a legal government—a democratic government answering to the aspirations of the Greek people," and added:

"The Fascist rebels of Athens, supported by the Anglo-American interventionists, do not hide their disquiet in the face of a decision by the Greek democratic forces, which will place the problem of Anglo-American intervention before the United Nations again under absolutely new conditions."

Commission Boycotted

The statement indicated that formation of the Vifiades Government would spur the Soviet satellite states to reopen the Greek question in the United Nations.

Greece accused Yugoslavia, Bulgaria and Albania of aiding the guerrillas in the north and a majority report of the United Nations Balkan Commission upheld the charge. The three countries accused have boycotted a commission appointed by the United Nations to help keep peace in the Balkans.

Indicating the Communist line, *L'Humanite* said that "from this moment on the democratic nations will constitute themselves guarantors that the independence and liberty of Greece shall be respected."

De Facto Government

"Interventionists will be assuming a heavy responsibility if they seek to aid the Athens Government," the newspaper declared.

Bearing out the observation of western observers that the states within the Soviet sphere of influence would recognize the Vifiades government, the newspaper added:

"The democratic government of General Markos will no doubt be recognized by a certain number of countries. In these conditions, the Anglo-Americans will not be able, whether they want to or not, to deny that it has the character of a *de facto* government."

Ce Soir said Markos's troops controlled more than a third of the territory of Greece and would fight to take it all.

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DEC 1947

Europe Enjoys Christmas, Brightest Yule in Decade

LONDON, Dec. 25 (AP)—Christmas came today to a continent still hungry for peace on earth and good will to all men but counting its blessings in the form of more food and less suffering.

Millions sought a moment's solace from their daily work in the temples of God. There was marketing for Christmas cheer with the post-war profiteer. For some, happiness came with a prayer; to others, for a price.

But as each in his own way observed the day, Europe generally found this Christmas its brightest and most bountiful in material things in nearly a decade.

Mild Weather Is Welcome

The weather helped. Mild temperatures in nearly all of the continent except a few snow-mantled northern areas drew thousands from family firesides, in sharp contrast with the biting chill which kept them huddled at home a year ago.

Britain's King George VI offered his people in a radio address a yultide message of cheer—a prediction they would win through in their fight for recovery.

Speaking from his study at Sandringham where the royal family—including the newly-wed Princess Elizabeth and Prince Philip—had gathered for the day, he recounted Britain's wartime sacrifices and declared:

"We have now to create afresh the resources that we then poured out and to deny ourselves while doing so. But no one, remembering 1940, can doubt that we shall succeed, and no one can doubt that we are all doing our level best to insure success."

He asked his subjects to pray for the happiness of his daughter and new son-in-law.

Austerity Gone for the Day

Many Britons shrugged off their belt-tightening austerity, at the expense of leaner days to come, to give their youngsters a sample of by-gone years—turkey and its trimmings, Christmas pudding, even scarce oranges and high priced nuts here and there.

In different ways, in different 750) from the vicarage—the parish funds and the priest's personal savings.

Instead of a puletide repast, residents of four snowbound French Alpine villages had only potatoes.

The spuds were brought to them this morning by ski patrols, whose countries, with different customs, the scene was dublicated. Here and elsewhere, to varying degrees, many fell back upon the black marketeer to fatten the Christmas meal.

In Germany and Austria, American troops played Santa Claus for tens of thousands of children. In the American occupation zone of Austria alone more than 200,000 youngsters received gifts.

Worshipers on their way to early Mass thronged the boulevards of Paris, and the piazzas of Rome. Paris had its warmest Christmas in 10 years, and mild breezes prevailed in Rome.

In Amsterdam an early morning gale blew, but some churches had to arrange two services to accommodate the worshipers.

Cold in Moscow

Moscow, unlike the more southern capitals, had sub-zero weather, the first major cold wave of the winter. Members of the American colony celebrated Christmas in their homes and apartments. Due to differences in the calendar the Orthodox church will observe Christmas Jan. 7.

Life's vicissitudes, even on Christmas day, were brought home to the villagers of Pirou, in the Manche department of northern France. While they were attend-

ing midnight Mass last night, someone stole 450,000 francs ($3,- earlier arrival had been thwarted by deep snow drifts.

Down under in Australia, where the seasons are reversed, weather ranged from a heat wave in the north to snow on Mt. Kosciusko, in New South Wales, where holiday makers enjoyed the sort of white Christmas rare on the southern continent. The past week was a record for high spending, with tens of thousands of pounds going for British-made goods ranging from motorcars to clothes, crystal, and cigarettes.

TRUD VALUES DOLLAR AT HALF 1941 LEVEL

LONDON, Dec. 25 (AP)—The Moscow newspaper Trud said today the United States dollar was worth only half its pre-war value and declared that that was irrefutable testimony to what it described as "the weakening of American capitalism and the approaching economic crisis."

The Moscow radio broadcast the article by Trud, organ of the Soviet Trade Union movement. Trud said the press of the "capitalist" world, and particularly of the United States, reacted with "fury and lies" to Russia's currency revaluation and abolition of rationing.

"In view of incessant price increases, American workers can purchase for a dollar only half of what they could before the war," it said. "This has resulted in the further pauperization of the masses, in a further fall of their living standards."

Trud contended that the first to "misinterpret" the Soviet moves was Secretary of the Treasury John W. Snyder when he "ponderously declared the Soviet Union was facing problems similar to those besetting Western Europe.

Mr. Snyder was followed by THE NEW YORK TIMES and New York Herald Tribune, the paper said, adding:

"This anti-Soviet chorus was joined by the New York radio station of the State Department's Voice of America, whose lying broadcasts have on more than one occasion incensed the working people of our country."

United State radio and press commentators, Trud went on, "glossed over the fact that, in addition to their real wages, all Soviet wage earners receive social insurance benefits, free medical aid, annual paid vacatitons; that hundreds of thousands of workers receive free passes to sanatoria and rest homes; that the Government allocate enormous funds for health services, education, public utilities, construction of individual homes.

Gas Output Rises in Russia

LONDON, Dec. 25 (AP)—Russia claimed today a 25.5 per cent increase in natural gas production over last year's output and a 700 per cent rise over the 1940 level. The Moscow radio, quoting an article by the Tass news agency, said the Soviet gas industry had fulfilled this year's program ahead of schedule.

Churchill Enjoys Christmas

MARRAKECH, French Morocco, Dec. 25 (AP).—Winston Churchill dined and danced until 2:30 a. m. today in a Christmas celebration at his hotel. He gaily accepted various souvenir gifts handed to him by German prisoners of war employed at the hotel. He said "everyone has been charming to me." Mr. Churchill is in Marrakech to write his memoirs.

Dutch Reds Woo 'Cominform'

AMSTERDAM, The Netherlands, Dec. 25 (AP)—Paul de Groot, secretary general of the Dutch Communist party, told a party congress today that the national party soon would approach the international Communist Information Bureau in Belgrade to discuss cooperation with the Communist nations of eastern Europe.

Heavy Penalties to Keep Plants in Russian Zone

BERLIN, Dec. 25 (AP).—The British-licensed German Press Service said today the state of Saxony, in the Russian occupation zone, had ordered heavy penalties, including death, to prevent manufacturers from moving their businesses to the American and British zones.

An agency dispatch from Dresden said the Saxon Economics Minister had told a news conference the step was necessary because "it has been noted recently that numerous such moves to the west have been attempted, and Saxony, will not countenance this, because it wants to retain all its productive capacity."

Recent reports from Frankfurt am Main, the economic capital of the merged Anglo-American zones, said the manufacturers had moved westward because they expect speedier economic revival of western Germany under the Marshall plan. Others also saw better prospects for private enterprise in the west, and complained about heavy Russian demands for reparations out of current production.

RUSS TROOPS HOLD HUNGARY

25,000 Still In Country 100 Days After Treaty

DEC — 1947

Budapest, Hungary, Dec. 25 (AP)—Some 25,000 Soviet troops, including tactical forces ranging from tank crewmen to fighter pilots, still are on Hungarian soil today although the formal peace was signed one hundred days ago.

The peace treaty called for the Red Army here to be reduced to "lines of communication" units by December 15, some 90 days after the ratification of the instruments deposited in Berlin.

Snugly billeted in provincial towns astride Hungary's approaches to Austria, Soviet veterans have told discreetly inquisitive Hungarian civilians they are "remaining an additional three months at the invitation of the Hungarian Government."

Guard Figure Not Set

Foreign office sources have refused repeatedly to discuss the situation but observers commented that American and British negotiators failed in Paris a year ago to settle with Russian Foreign Minister V. M. Molotov a precise figure for communications troops needed here to maintain supply lines to occupied Austria.

Since no definite Soviet commitment is in the treaty and Hungary is now a sovereign power whose Communist-controlled government can make any sort of bargain with the Red Army command, it is believed that the western Allies are unable to make a diplomatic issue of what is tantamount to continued Russian occupation of the strategic area of western Hungary.

Some 9,000 troops of a Russian artillery division still are garrisoned at two towns within 15 miles of Budapest. The towns are Szent Endre and Piliscsaba.

50 Tanks On Border

Near the Austrian border, the Red Army has 10,000 mechanized troops with at least 50 tanks at Szombathely and 3,000 artillery and anti-tank troops at Koszeg.

The Russian air force, unlike the ground force, has sharply trimmed its strength in the last month.

Only 300 fighter planes are still at Papa, a large airbase command post, and 100 are on a field near Veszprem.

The Russians, however, shipped away several hundred aircraft on railway flatcars from Szekesfehervar and relinquished fully three other fields to Hungary.

The only Red Army personnel which appear entirely concerned with line of communications are 1,000 engineers at Komarom and a similar force at Godollo.

When the peace treaty became effective, Allied military representatives estimated the Russian line of communication would not require more than 2,000 men for practical duty and that 5,000 would be "very generous."

This line supposedly was to extend along the main Vienna-Budapest route, thence northeast to the Soviet frontier along what formerly was Ruthenia. But the bulk of the Russian troops still are located south of this line at points which could be expected to have little connection with its operation.

Need For Tanks, Planes Puzzles

Observers are puzzled furthermore as to how tanks and planes might be needed in maintaining the transport system permitted by the treaty.

Many Russian wives have joined their soldier husbands in Hungary and military domesticity thrives at such towns as Szombathely and Koskeg, both vigilantly guarded by Red sentries at road blocks.

Soviet road blocks also are maintained at Papa and Veszprem.

Although it is no secret that the Hungarian provincial population would welcome the final departure of the Red Army, the presence of the Russian troops is deemed a psychological advantage to Communist politicians.

CZECHS HALT ALL SALES, TAKE TEXTILE INVENTORY

DEC 1947

PRAGUE, Dec. 25 (AP)—The Domestic sale of textiles in Czechoslovakia has been halted by the ministries of internal trade and industry until Jan. 6 when a nationwide inventory will have been completed in the mills to combat the black market.

The order, announced Christmas eve by the communist press, came after most merchants were sold out of stocks as a result of holiday buying. It was directed chiefly at manufacturers and large wholesalers.

The order was issued by Communist Alexei Cepicka, new minister of internal trade, after more than 10,000 yards of cloth, including prewar British woolens, were found in one wholesale shop and a similar amount in another, despite general complaints of a shortage of textiles.

Black market woolens are sold at up to $40 a yard here.

Belgrade Refuses Comment

Belgrade, Yugoslavia, Dec. 25 (AP)—Yugoslav authorities refused today to comment officially on the reported formation of the new Greek Government opposed to the current Greek regime.

Newspapers carried detailed reports of the radio broadcast in which the Greek guerrilla leader, Gen. Markos Vifiades, proclaimed an independent Greek Communist Government.

530,000 Poles Repatriated

Warsaw, Poland, Dec. 25 (AP)—The Government said today that 530,000 Poles had been repatriated since the war through the Polish-Czechoslovakia frontier town of Zebryzdowi. Most came from Germany, France, Romania, Egypt, Africa.

600 U.S. Repatriates Quit Poland

WARSAW, Dec. 25 (AP)—The S. S. Ernie Pyle sailed from Gdynia for New York today, carrying 600 United States repatriates. About 18,000 other United States citizens are awaiting passage.

Soviet-Swiss Trade Talks Set

MOSCOW, Dec. 25 (AP)—The Soviet press announced today that a Swiss trade delegation would arrive in Moscow early in January to begin negotiations for a trade agreement with Russia. Norway, Denmark and Czechslovakia recently completed trade agreements with Russia and Moscow newspapers reported that deals were pending with Belgium and Luxembourg.

Just Another Day in Russia

MOSCOW, Dec. 25 (AP).—Winter clamped its grip on Moscow today as the city's foreign colony celebrated Christmas with traditional religious services and private parties. The temperature dropped to two degrees below zero (Fahrenheit) and a heavy fall of snow blanketed the Soviet capital.

Tonight American Ambassador Walter Bedell Smith will entertain members of the American colony at the American embassy.

For Russians it was just another day. Because of calendar differences, members of the Russian Orthodox Church do not celebrate Christmas until Jan. 7.

Few Civilians Risk Visit to Bethlehem

Handful Join 500 Troops at Grotto of Nativity

BETHLEHEM, Dec. 25 (AP).—Gunfire echoed across the rocky hills from near-by Jerusalem today as a handful of Christian civilians joined 500 British troops in the traditional pilgrimage to the grotto of the Church of the Nativity to see the re-enactment of the birth of the Prince of Peace.

Solemn observance of the birth of Christ—sacred to a third of mankind—began at this shrine of Christendom on Christmas Eve. Following age-old custom, a solemn pontifical mass was sung at midnight in St. Catherine's chapel of the Church of the Nativity, which covers the grotto where tradition says Jesus was born.

Usually tens of thousands make the pilgrimage, but this yuletide few risked the sodden weather and uncertain travel through a strife-torn land. A veteran British police official said the weather "has been worse, but never have Christians been so afraid to come out."

DEC 1947

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VIOLENCE SWEEPS ACROSS HOLY LAND ON CHRISTMAS DAY

Toll of Dead Reaches 336 Since UN Approved Partition Plan.

TWO BRITONS KILLED

Stern Gang Attacks Soldiers in Tel Aviv Cafe.

DEC 1947

JERUSAELM, Dec. 25 — (AP) Shootings, bombings, armed robberies and other violence swept over Palestine Christmas day, increasing to 336 the number of dead since the United Nations decided to divide the Holy Land between the Jews and Arabs.

The number may even be higher. Two British soldiers were killed and at least three wounded, a police source said, when the underground Stern gang attacked a group in a Tel Aviv cafe tonight. Other British soldiers were reported wounded here and in Nazareth.

Gun battles flared in Haifa and in Jaffa. One Jerusalem newspaper said at least 17 Arabs were killed in Haifa today, but the report had no official confirmation.

Arabs Loot Train

Armed Arabs held up and looted a train near Sarafand junction in central Palestine. Reports said a large quantity of goods was stolen from four cars and carted away in trucks. One report from a private source said 200 were in the attacking party.

In other incidents men and women were wounded when hand grenades were thrown at buses and rifle fire struck down passers-by. Emergency hospitals were opened in many communities.

Jewish and Arab patrols surged back and forth across bloody Haifa where fighting has been intense most of this week. One Jewish source said two Jews were killed and nine wounded and an unspecified number of Arabs wounded in a series of attacks this morning.

One of those killed was a 35-year-old woman who was struck by a stray bullet. Another was a settler who had arrived in the city on a truck bringing dairy products, the Jewish source said. That truck and others were fired on by an attacking Arab crowd.

One Jew and one Arab were killed in a fight in which Hagana, Jewish national defense army, blew up a sniping post at Holon, near the coast of central Palestine. Another Jew was killed several hours later when sniping was resumed from an alternate post.

Arab Cafes Attacked

Hagana said three Arabs were killed in a drive by Jewish forces on Arab cafes which the Jews said were headquarters for Arab gunmen in the Hatikva quarter on the outskirts of Tel Aviv. Informants said the fighting broke out when two British armored cars appeared.

Jewish fighters stalked Arab attackers of highway convoys in the Judean hills north of Jerusalem, killing one and wounding three. Arms and ammunition were seized.

Hagana forces repulsed an attack on the crowded Beth Hacarem quarter of Jerusalem. One person was killed and three wounded in the clash.

Six Jews riding in a bus were wounded when two grenades were hurled at the vehicle in a Jerusalem suburb.

Arab road blocks were thrown up in the fashionable Jerusalem residential quarter of Katamon and Arabs checked identity papers of travelers.

Two Jewish men and a girl were wounded by rifle fire in the Jaffa-Tel Aviv area. A ten-year-old Arab girl was wounded in the Arab village of Jabalian.

Three British police and two airborne troops were wounded in the streets of Haifa.

Arabs captured guns and bullets in a raid on a police post at a British army camp.

Bomb Rocks Prison Yard

Three Jews were reported injured seriously when a bomb was thrown into Jaffa prison courtyard while Jewish prisoners were taking their morning walk.

Occupants of two trains exchanged fire on the Lydda-Haifa main line. No damage or casualties resulted.

An Arab was killed late last night, police said, when a "party of unknown persons believed to be Jews attacked Beit Safafa, a village in Jerusalem district, with automatic fire and grenades."

A Hagana spokesman at Tel Aviv said that several Palestine Arab villages had concluded a sort of informal "non-aggression pact" with neighboring Jewish villages. For reasons of security for the Arab towns, their names were not disclosed. The spokesman claimed that the number of anti-Jewish Arab fighters active in Palestine is fewer than 1,000.

Meanwhile, Dr. Abraham Granovsky, chairman of the Jewish National Fund, announced that the 4,000-acre Sarona tract on the coastal plain east of Tel Aviv, formerly German property and an important center for Hitler's followers, had been acquired from the Palestine government by the fund and the city of Tel Aviv at a total cost of £1,250.000 ($5,000,000). Of this sum, £1 200,000 ($4.800,000) was contributed by the fund and the remainder by the Tel Aviv municipality.

Granovsky said the new territory will serve to extend the Tel Aviv municipal area by one-third its present size. All town planning will be undertaken jointly by the municipality and the fund.

Indians Kill Moslems

NEW DELHI Dec. 25 (AP)—The Defense Ministry said tonight Indian troops, backed by warplanes had killed or wounded 500 Moslem invaders of Kashmir State in the area northwest of Jammu during the last four days.

DIE IN PAKISTAN CAMPS

5,000 Moslem Refugees Killed by Exposure, Paper States

LAHORE, Pakistan, Dec. 24 (AP)—The British-edited Civil and Military Gazette said today that nearly 5,000 refugees were reported to have died of exposure this month in three camps in the western Punjab. The camps at Lahore, Kasur and Sulemanki were maintained by the Dominion of Pakistan for Moslem refugees.

Jinnah, Pakistan Leader, Is 71

KARACHI, Pakistan, Dec. 25 (AP)—Mohammed Ali Jinnah, founder and Governor General of the new Dominion of Pakistan, was 71 years old today. He observed the birthday quietly in Government House. Congratulations were presented to the Moslem leader from President Truman, Prime Minister Attlee and the heads of other states.

Chinese Reds On Initiative

DEC 1947

Peiping, Dec. 25 (AP) — China spent her first day under a new constitution today with the same National government in Nanking struggling to maintain its position in a civil war flaming from frozen Manchuria to the nation's heartland.

On schedule, the constitution went into effect by official decree. The present government will continue in power until the National Assembly convenes March 29.

Meanwhile, Communist forces took the initiative across half the length of China. They ringed the Manchurian city of Mukden with a four-sided offensive. They threatened to cut off Manchuria entirely at Chinwangtao, where the Great Wall runs into the sea. They showed new activity in North China from Chefoo at the tip of Shantung to the hills of Shansi. They claimed a vast but vague victory in central China.

Hardest Fighting In Manchuria

Fighting waxed hottest in sub-zero Manchuria. The government claimed 200,000 Communist troops were menacing the Mukden garrison on a perimeter within a 45-mile radius of the windswept city. Neutral observers here consider this figure exaggerated, but it is clear from government reports that the Communists are astride the main-stem railway north of Mukden and threaten its connection with the rest of China at Sinmin, 40 miles to the west.

The Communists north of the city are maneuvering as if to prevent the government garrison from breaking southward out of isolated Changshun, the Manchurian capital 150 miles up the line.

In Mukden itself, Gen. Lo Choying, deputy Nationalist commander, minimizes danger to the great industrial center. He was bolstered by the arrival today of government warplanes. The Communists have produced nothing they can put in the air. Lo also was encouraged by reports that Gen. Fu Tso-yi is rushing troops up from North China to relieve the Mukden garrison.

New Fighting Around Yuncheng

Fu's early arrival, however, may be in doubt. Fresh reports say the Communists have raided the railway just south of the Great Wall port of Chinwangtao, near the Peitaiho resort area where they destroyed a railway hostel and hospital.

Here in North China, neutral observers speculate that the Communists probably consider Mukden too expensive to take and hold, and that they will content themselves with cutting it off and leaving it "an island of desolation surrounded by desolation."

They note that the new Communist offensive in Manchuria seems to have drawn off Government troops needed for defense of North China, and say such strategic cities as Tientsin and Peiping may be threatened next.

Meanwhile, government reports described fresh fighting around Yuncheng in the southern Shansi hill country.

Picture Of Communist Drive

[In San Francisco, a broadcast by the Communist radio heard by the Associated Press listening post said that Communist forces had returned to the offensive in Shantung and were operating in the suburbs of Chefoo, the port captured some months ago in a long government drive to clear the peninsula of Communist troops.

[The same broadcast claimed that during the past month in Central China Communist armies had "torn to pieces Chiang Kai-shek's war system" and had broken railways and captured 23 county seats in seven provinces covered by the great central plain.

[It drew a broad picture of Communist task forces striking almost at will throughout this vast area.

[As a result, the broadcast said, Communist forces now "can knock at the gates of Nanking and Pukow in the east, march on Hulungyang and Fancheng at the bend of the Han River to the west, or cross the Yangtze River to the south."]

CHINA RELIEF TEAM BACK

UNRRA Convoy Brings Bodies of Crash Victims to Tientsin

TIENTSIN, China, Dec. 25 (AP)—An United Nations Relief and Rehabilitation Administration convoy returned from deep in Communist territory today with an overdue relief team and the bodies of three persons found in a commercial plane that crashed last Oct. 17.

In the UNRRA team was Miss Winifred Hemingway, who said the convoy had been delayed twenty-seven hours on its return trip from Huitsaiyu by a brush between Communist and Nationalist forces across its line of march.

The group, brought back by Perry Hanson Jr., UNRRA official of New York, and Jack Dodds, a Friends Service worker from Toronto, said they were well-treated during their protracted stay in Huitsaiyu.

Messrs. Hanson and Dodds arrived there on Dec. 22, turning over to the Communists the last Communist relief officials to leave Nationalist China.

The three bodies brought back were said by the Communists to have been found in the wreckage of a commercial plane piloted by Harley Moore of Syracuse, N. Y., which reportedly crashed near Paoting last Oct. 17.

Tojo On Stand Makes Apology

DEC 1947

TOKYO, Dec. 28 (AP).—Hideki Tojo, on trial for his life as a war criminal, took the witness stand today and sat silent while his Japanese attorney started reading a 65,000-word deposition in which the former Premier of Japan apologized to his Emperor for losing the war that he defiantly declared was fought in self-defense.

Tojo's appearance on the stand and his written testimony charging that the war was "provoked by the Allied powers to force America into the European conflict" provided a dramatic climax

to the trial of 25 former leaders of Japan before an 11-nation tribunal of the victors.

For 19 months the trial has dragged on, with millions of words of testimony and documentary evidence supporting or contradicting the charge that the defendants conspired to wage aggressive warfare as far back as 1929.

POVERTY STALKS SOVIET, SAYS BRAZILIAN ENVOY

RIO DE JANEIRO, Dec. 25—(AP) Ambassador Mario Primentel Brandao, returning home yesterday from his mission to Moscow, said 30,000,000 Russians are hungry and homeless.

Brazil recently severed diplomatic relations with Russia, partly because of Russian press attacks on President Eurico Gaspar Dutra.

Brandao said the Communist slogan of "workers of the world unite" should have the added phrase "but don't marry." He cited the cases of Russian women married to English soldiers and the Russian wife of the Chilean ambassador's son who were not allowed to leave the Soviet Union

U. S. Lifts Ban in Panama

Army Personnel Again Permitted to Visit Panama City and Colon

BALBOA, C. Z., Dec. 25 (AP).—The United States Army lifted its "off limits" ban on Panama City and Colon today. American military personnel again are permitted to visit those cities.

The ban was imposed following recent demonstrations in Panama against further leasing of Panama bases to the United States for defense of the Canal Zone. The Panama National Assembly rejected a proposed agreement Monday, and American troops are now withdrawing from the bases to the Canal Zone.

EUROPE PLAN OPPOSED BY REPUBLICANS

DEC 1947

GOP Senators Question Marshall Program As Truman Pledges Aid

Washington, Dec. 25 (AP)—The Marshall plan, the $17,000,000,000 European recovery program proposed by President Truman and Gen. George C. Marshall, Secretary of State, ran into renewed Republican misgiving today.

While those favoring the four-year program were generally silent—save for President Truman, who said in his Christmas Eve greeting to the nation that "we shall do more" to help the "cold and hungry" abroad—critics made public their views freely.

Senator Butler (R., Neb.), declaring himself "very much against" the Truman-Marshall program, said he was "very doubtful if there will be a Marshall plan."

Wherry's Stand

Butler said he questioned whether "the American economy can stand such a program."

Senator Wherry (R., Neb.) said Congress will not be "pressured" into adopting the Marshall plan hastily—and least of all, he said, by former Under Secretary of State Dean Acheson.

Wherry, Republican whip in the Senate, said he objected to Acheson's statement on behalf of the Committee for the Marshall Plan that "we should adopt it by March 31 or Europe is going to disintegrate."

"Instead of hasty action, it should be just the reverse," said Wherry, only senator to vote against Acheson's confirmation as Under Secretary of State. Acheson resigned the post earlier this year.

Wherry said he has not yet made up his mind as to what his attitude will be on the Marshall plan but he indicated he will have a lot of questions to ask.

Poses 3 Questions

He said three questions come to mind immediately:

1. Can this Government safely commit itself to such an expenditure in view of current levels of production and of domestic prices?

2. Can money be distributed at the individual level rather than to governments, and, if this is feasible, would it not hasten the task of recovery by giving some incentive to the individual European?

3. How far can the administration of the plan be divorced from the State Department, which Wherry asserted has failed in other lesser programs?

Wherry said that if Marshall plan funds are turned over to European governments for handling, he is afraid that it will become "a glorified WPA."

"The American Tradition"

Mr. Truman, speaking as he lighted "the nation's Christmas tree" on the south lawn of the White House last night, did not mention the Marshall plan but said in an address broadcast to the country and the world:

"The great heart of the American people has been moved to compassion by the needs of those in other lands who are cold and hungry.

"We have supplied a part of their needs and we shall do more. In this, we are maintaining the American tradition."

The President's remarks were followed by two other Marshall plan criticisms from Republican legislators.

Representative Jonkman, of Michigan, said the program means the United States will help pay off the national debts of European countries while burdened with a nearly $260,000,000,000 debt of its own.

DEEP-BLASTING BOMBS TESTED BY U.S. IN REICH

DEC 1947

25,000-Pounders Penetrate Underground Defense Sites

Washington, Dec. 25 (AP)—A three-month experiment in Germany with B-29's and huge bombs has given the United States Air Force a bag of new tricks for blasting into deep underground defense sites, USAF officials disclosed today.

They informed a reporter that "Operation Harken," in which 25,000-pound bombs specially designed for deep penetration of earth and concrete were dropped from high altitude on a former German submarine assembly plant near Bremen, had been completed.

While withholding details on the amount of penetration obtained and the precision of the high altitude bombing, officials said conservatively that they were completely satisfied with results, the accuracy was better than expected and that the British Royal Air Force, which collaborated in the experiments, was "pleased and amazed' with results.

Altitude Not Specified

USAF experts, who were at the test, did not specify the altitudes at which the big bombs were released to bore down into the 24-foot reinforced concrete covers of the U-boat plant, saying only that they were "high altitudes." However, during the war a high-altitude B-29 mission usually released its bombs at heights ranging between 25,000 and 30,000 feet.

More than 40 big bombs and a number of small 100-pound practice bombs (for precision practice) were dropped in the experiment. Included were 30 American 25,000-pounders of the "Amazon" and "Samson" types. The Samson bomb is an entirely new model. The RAF supplied more than a dozen 1,650-pound bombs, designed for this particular form of attack.

Promotes Standardization

Some American officers view the joint experiments by the air forces of the two nations as further promoting the trend toward standardization of arms and other equipment by the United States and Britain.

In the original announcement that such experiments would be conducted this year, the USAF said that with the advent of atomic warfare "it is logical that the need for these specialized types of bombs (the deep-penetration types) may be even greater." This apparently was reference to current military thinking directed at the conscription of underground defenses to resist atom-bomb blast.

The bombs used in "Operation Harken" were not loaded with explosive charges for two reasons: The tests were designed only to determine the penetrating ability and strength of the bomb casing, and the proximity of inhabitated farms and the village of Farge would have made the use of explosives dangerous.

Carried By B-29's

If only overall size and weight were the governing factors, the deep-penetration type bombs presumably could be loaded with atomic charges. The three atomic bombs air-dropped so far were all carried by B-29's.

Three B-29's, with the fore and aft bomb bays joined together to handle the long projectiles, were used in the tests. All bombardiers and most of the rest of the crews were veterans of World War II air campaigns and bombing missions.

The crews conducted preliminary practice at the UAF's Muroc (Cal.) airbase and testing grounds before going to Giebelstadt, Germany, the base from which they flew to the target near Bremen.

'HOLIDAY' ENDS FOR DISTILLERS

DEC 1947

Major Liquor Firm Will Continue to Keep Plants Idle to Save Grain.

WASHINGTON, Dec. 25—(AP) The nation's largest producer of blended whiskey, Joseph E. Seagram and Sons, Inc., today ordered its plants to continue closed for the time being, although the industry-wide voluntary "holiday" officialy ended last midnight.

Seagram was reliably reported to be hoping that other distillers would follow suit and keep their plants closed until the government, under its program of saving grain for Europe, starts telling the industry how much grain it can have for making whiskey.

There was no immediate indication whether other leading manufacturers would follow the Seagram lead.

The Republican anti-inflation bill which President Truman is generaly expected to sign within a few days, gives Secretary of Agriculture Anderson the power to allocate grain to distillers until Jan. 31.

Proposes Quota Limit

Secretary Anderson favors limiting their quota to 2,500,000 bushels of corn and rye a month. Leading distillers recently turned down his proposal that they limit themselves to that amount. They asked instead for 3,500,000 bushels.

Most whiskey manufacturers have closed their plants for the past two months as a voluntary grain-saving measure.

Seagram, which operates distilleries at Louisville, Baltimore, Lawrenceburg, Ind., and in Canada, is one of the "big five" manufacturers. The other four are National, Hiram Walker, Publicker and Schenley.

Until Seagram's announcement, members of the Distilled Spirits Institute, to which all but Schenley belong, had pledged themselves to limit grain consumption to 45 per cent of last year's after the Christmas ending of the production holiday.

Industry Divided

The industry is divided on the question of how Secretary Anderson should fix grain quotas for each plant.

The institute, representing some 65 per cent of the nation's liquor production, has urged that every company be assigned a quota on the basis of past consumption. Schenley, however, wants grain parceled out on the basis of "case sales"—The number of bottles sold.

Publicker Industries, Inc., of Philadelphia, which sprang to prominence in the beverage industry because of its government-financed expansion for the production of war alcohol, favors the plan advocated by Secretary Anderson. Under his proposal, each plant would be assigned a quota based half on its past grain usage and half on its plant capacity.

Firms belonging to the institute have objected on grounds that Publicker's enormous capacity would entitle it to a quota so large as to "foster a monopoly" in the whiskey industry.

Secretary Anderson expressed the hope last week that all distilleries would remain closed until President Truman took action on the anti-inflation measure.

30.24- 14465

'Feller' Faces a Doggy Heritage

WASHINGTON, Dec. 25—(AP) A little Feller has come to frisk around the White House, thereby reviving the fine old Presidential custom of having a dog around.

Practically all our Presidents have been dog lovers. So the five-week-old Feller, a shy, bewildered cocker spanied, has quite a doggy heritage to live up to.

One of the best studies of Presidential pups was made by Arthur F. Jones, Jr., in The New York Times of Feb. 18, 1934. It is from Jones' article that most of the following facts are taken.

Washington a Dog Lover

Washington set the pace as one of the dog lovingest Presidents.

He kept fine fox hounds. Many Mount Vernon visitors in those days scurried past Washington's magnificent home, and went right to the dogs.

In 1777, when the Americans and British were pitching everything they had at each other, a handsome dog wandered into Washington's camp. On the dog was the owner's identification tag, "General Howe."

What did Washington do? Why, what any dog lover would do. He stopped the war, and returned the dog under a truce.

Other Virginia Presidents—Jefferson, Madison, Monroe—also were fox hunters. But their successors apparently went in for some prosaic animals, for the historians usually don't say what kind of dogs the Presidents owned. Just dogs.

Among the modern Presidents Cleveland showed the most variety, with beagles, setters, pointers and spaniels.

T. R. Had St. Bernard

Theodore Roosevelt's most interesting pet was Rollo, a massive St. Bernard with massive self-restraint. The Roosevelt kids practically dismantled Rollo, but Rollo didn't mind. After all, he was built to lead a dog's life.

Wilson, Harding, Collidge owned airedales, while Hoover's favorite dog was Weejee, a Norwegian elkhound.

Everyone, of course, knows of the fabulous Fala, Franklin Roosevelt's busybody, tail-waving-gaily scottie.

Not many know, however, that Fala had a predecessor, a one-family police dog named Major. He was shipped back to Hyde Park after he ungraciously bit Senator Hattie Caraway.

So maybe President Truman had better tell Feller the facts of White House dog life right away.

Good, clean fun is all right, but remember—

There is no open season on senators.

WELLES IS ACCUSED OF 'INSULT TO PERON'

DEC 1947

WASHINGTON, Dec. 24 (AP)—The Argentine Ambassador today accused Sumner Welles, former Under-Secretary of State, of being a "sponsor" of a pamphlet "insulting" Argentine President Juan D. Perón. Mr. Welles flatly denied it.

The Ambassador, Dr. Oscar Ivanissevich, made public a letter to Mr. Welles taking issue with a paragraph in a booklet issued by the Americans for Democratic Action referring to Señor Perón as "treacherous." He said he understood that Mr. Welles was "one of the sponsors" of the ADA and the booklet.

Mr. Welles told a reporter he was neither a sponsor nor a member of the organization.

As to the publication, Mr. Welles said he, with others including Mrs. Franklin D. Roosevelt, indorsed the ADA report on a "liberal foreign policy for the United States," but all of them did so "with the reservation that we did not necessarily approve of all details."

In fact, Mr. Welles said, he wrote to a framer of the report and "specifically expressed my disagreement" with what it had to say concerning President Perón. He said he did not wish to comment more fully on the Ambassador's letter since he has not received it.

Dr. Ivanissevich expressed himself to Mr. Welles as "amazed that a man of your standing should appear as sponsor of an association which has done such great damage to the policy of inter-American cooperation by insulting one of the real democratic presidents we have today in the Americas."

U. S. to Bar 'Tokyo Rose'

LOS ANGELES, Dec. 25.—The Los Angeles City Council has been assured that "Tokyo Rose" won't be coming home. The Council adopted a resolution opposing the return to the United States of Iva Ikuko Togura d'Aquina, graduate of the University of California at Los Angeles, who during the war broadcast propaganda from Tokyo to American service men. R. B. Shipley, chief of the Passport Division of the State Department, informed the council yesterday that she will not be permitted to return to this country.

DEC 1947

CAPPER SEES HOPE FOR PEACE ON EARTH

WASHINGTON, Dec. 25 (AP)—Senator Arthur Capper, dean of Republican Senators, took a long, thoughtful look at conditions at home and abroad and announced, "I take a rather optimistic view of things."

The veteran Kansas legislator, who is nearing his twenty-ninth year in the Senate, says that at home "we're making some progress right along" in straightening out the domestic economy.

And, he told a reporter, he sees hope for peace throughout the world, too.

While at times things "look pretty discouraging," Mr. Capper says he thinks people have just about reached the conclusion they have had enough of a "war program."

Terming this country the leader of "sane thinking," Mr. Capper asserted that "our influence is being felt more and more all the time."

The Kansan, who calls himself an independent, Western Republican, and proud of it, took occasion during the holiday interview to laud both President Truman and the late Franklin D. Roosevelt.

He described President Roosevelt as a "fine fellow" who used to greet him at White House receptions with the query, "well Arthur, how are those Kansas farmers of yours?"

Turning to President Truman, Mr. Capper declared that the interest he has taken in South America, Mexico and Canada "in the cultivation of a spirit of good will is, I think, very much to his credit."

Mr. Capper praised Canada as "one of the finest examples of straight thinking people anywhere in the world."

He described Russia as being "pretty wild" but nevertheless expressed the conviction that such influences can be overcome.

U.N. PUZZLED BY MISTLETOE

But Binghamton Youths Demonstrate At Yule Party

DEC 1947

Binghamton, N.Y., Dec. 25 (AP)—Under sprigs of mistletoe today in this friendly upstate New York community, men and women from 35 nations blushingly indulged in an old American Christmas custom.

A light kiss, a light laugh and any lingering ice was broken for the 175 employés of the United Nations Secretariat who came from Lake Success last night at the invitation of Binghamton, Endicott and Johnson City residents, anxious to return hospitality shown the Yanks overseas during World War II.

"Mistletoe? What is that?" wondered sloe-eyed Denise Felender, press secretary with the United Nations, who came from Paris fifteen months ago.

Local Youths Demonstrate

Her host and hostess, Mr. and Mrs. Walter E. Craw, happily had some neighborhood youths on hand to demonstrate.

Denise and her companion, red-haired Andree Chaussepied, of Paris, were former librarians in the Associated Press Paris bureau.

It was a big day for these French, Australians, Russians, Dutch and other lonesome peace workers far from their home lands.

It was like "tripping to a fairy land" in the words of Mrs. Edwin Ellis, of London and Capetown, South Africa. Mrs. Ellis and her husband are spending their first Christmas together in three years, having been separated by postwar obligations.

Runs Washing Machine

She insisted on learning how to run a washing machine at the home of Mr. and Mrs. Robert B. Joggerst. And Mrs. Joggerst was pleased to oblige. Anything went with the Joggersts, because it was Mr. Joggerst who suggested this international fete.

For the most part, the visitors perferred the small family celebrations around tinseled trees. They steered clear of politics, talking, instead, of native customs, of experiences in house hunting, of recipes.

By the end of the day, nearly everybody felt at home.

Tomorrow the guests will have their first organized events—inspection of a few industrial plants in this shoe center and a country club dinner. Saturday morning, they will return to their work at Lake Success by special train.

BOWLES PLANNING RELIEF-DRIVE TRIP

To Sail For Europe On Behalf Of Children In Distress

DEC 1947

Lake Success, N.Y., Dec. 25 (AP)—Chester Bowles, chairman of the International Advisory Committee for the United Nations Appeal for Children, announced today he will leave January 2 for Europe to help speed national drives for children in distress.

Bowles said entire populations will be asked to "give one day" to aid needy children. The contributions would consist of either one day's earnings or its equivalent in labor. National committees are expected to be set up in 38 countries.

World Congress Urged

Bowles is still seeking approval for a world children's congress under United Nations auspices. He declared that the children of the world "have a right to speak for themselves," adding:

"All their lives things have been done to them, and mostly very cruel things. Too little has been done for them."

He said he plans to visit schools, hospitals and health centers and will study the efficiency with which relief funds are expended. Mrs. Bowles, well-known American social worker, will accompany her husband to confer with women's organizations participating in the drive.

"Not A World They Made"

In a statement, Bowles said:

"This is certainly not a world they (the children) made—but it is a world they must make over and make better. They are not merely the ones who will comprise the United Nations in the distant future. It is much more immediate than that.

The tragic circumstances of war and want have forced these children to grow up very fast. In many nations the older generation has been so weakened that the younger generation is the only real hope for the future.

"They must continue to grow and to mature, not in the bitter arts of life and death struggle, but in the wisdom which grows from peace and security. To live at all, many millions of them depend totally upon what the world's adults, collectively, do in the next few months. The United Nations appeal for children is a great beginning for our task."

Christmas in Europe

By Robert Weil

London, Dec. 25-(AP)-Europe celebrated today its most bountiful christmas since the war.

Generally mild weather drew thousands from the family firesides. Snow flecked only the continent's more northern and AND MOUNTAINOUS alpine reaches, allowing most of the millions in Europe to enjoy a Yuletide lacking the bitter chill ofm last winter.

Christmas eve temperatures in London equalled the highest since records first were started here 75 years ago.

DEC 1947

The boulevards of Paris and the piazzas of Rome were thronged by promenaders who had attended early morning masses. The French capital experienced its warmest Christmas in ten years. Mild breezes prompted Italians to throng through forums and parks.

British worshippers crowded the great nave of St. Paul's cathedral for morning matins, after which they went home to enjoy the most festive and filling Christmas dinners since before the war. Poultry

shops before the holiday had bulged with dressed birds.

One hardy and unidentified Briton observed the holiday and its unexpected sunshine at Bridlington in Yorkshire by taking a swim in the north sea.

A brief early morning gale in Amsterdam sped Dutchmen on their way to early services. Despite the cold, some churches had to hold two

SERVICES TO ACCOMMODATE THE WORSHIPPERS.

MOSCOW AND THERMOMETERS READ TWO

A HEAVY SNOW BLANKETED MOSCO

DEGREES BELOW ZERO (FAHRENHEIT).

AND PRIVATE PARTIES.

Residents of four snowbound French Alpine villages dined on potatoes alone, and were thankful to receive those. Ski patrols managed to take the potatoes through this morning after deep drifts had thwarted earlier supply efforts.

Elsewhere the pattern generally was the same--a quiet,

DEC 1947

30.24- 14467

prayful morning spent in church; a stroll with the family; and a better-than-usual Christmas dinner to top off the joys of the holiday season. #

DEC 1947

PARIS, DEC 25-(AP)-THE FRENCH COMMUNIST ORGAN L'HUMANITE INDICATED TODAY THAT THE SOVIET SATELLITE NATIONS WOULD RECOGNIZE THE NEW GREEK COMMUNIST "GOVERNMENT" HEADED BY GEN. MARKOS VIFIADES AND WOULD "GUARANTEE" ITS INDEPENDENCE AGAINST "ANGLO-AMERICAN INTERVENTION."

VIFIADES, GREEK GUERRILLA CHIEFTAIN, PROCLAIMED FORMATION OF THE NEW "GOVERNMENT" YESTERDAY IN A BROADCAST WHICH GREEK AUTHORITIES IN SALONIKA SAID APPARENTLY EMANATED FROM A RADIO STATION SOMEWHERE BEYOND GREECE'S BORDERS--PERHAPS YUGOSLAVIA.

THE VIFIADES BROADCAST CALLED UPON THE MEMBERS OF ELAS, MILITARY ARM OF THE LEFTWING RESISTANCE FRONT IN GREECE, TO TAKE UP ARMS IN SUPPORT OF "THE FIRST PROVISIONAL DEMOCRATIC GOVERNMENT OF FREE GREECE."

L'HUMANITE, HAILING THE VIFIADES ANNOUNCEMENT, SAID IN AN ARTICLE TODAY:

"FROM THIS MOMENT ON THE DEMOCRATIC NATIONS WILL CONSTITUTE THEMSELVES GUARANTORS THAT THE INDEPENDENCE AND LIBERTY OF GREECE SHALL BE RESPECTED."

THE COMMUNIST ORGAN INDICATED THAT THE SOVIET BLOC WOULD CONSIDER THE ATHENS GOVERNMENT IN A STATE OF REBELLION AGAINST THE "REGULARLY CONSTITUTED" COMMUNIST AUTHORITY IN GREECE.

BRITAIN AND THE UNITED STATES, IT ADDED, "NO LONGER WILL BE ABLE TO CONTINUE THEIR INTERVENTION IN FAVOR OF THE FASCIST REBELS EXCEPT BY PLACING THEMSELVES OPENLY IN OPPOSITION TO THE DEMOCRATIC COUNTRIES, WHICH WILL RECOGNIZE THE GOVERNMENT OF FREE GREECE."

"DEMOCRATIC" IS THE WORD WHICH THE COMMUNIST STATES CUSTOMARILY USE TO DESCRIBE THE COMMUNIST TYPE OF GOVERNMENT.

IN THE FACE OF THE GUARANTEES WHICH WILL BE GIVEN THE VIFIADES "GOVERNMENT", L'HUMANITE SAID, "THE INTERVENTIONISTS WILL BE ASSUMING A HEAVY RESPONSIBILITY" IF THEY TRY TO AID THE ATHENS GOVERNMENT.

DEC 1947

L'HUMANITE'S PRONOUNCEMENT WAS IN LINE WITH PREDICTIONS MADE BY WESTERN OBSERVERS FOLLOWING THE VIFIADES BROADCAST.

THESE SOURCES HAD GENERALLY FORECAST THAT THE SOVIET BLOC STATES WOULD RECOGNIZE THE VIFIADES REGIME AS A LEGALLY CONSTITUTED GOVERNMENT AND THEREBY GAIN AN ARGUMENT FOR SUPPLYING OPEN MILITARY AID TO THE LEFTIST GUERRILLAS NOW BATTLING GREEK GOVERNMENT TROOPS IN NORTHERN GREECE.

GREECE LONG AGO ACCUSED YUGOSLAVIA, BULGARIA AND ALBANIA OF AIDING THE GUERRILLAS, AND THIS CHARGE HAS BEEN SUPPORTED BY A MAJORITY REPORT OF THE UNITED NATIONS BALKAN COMMISSION.

ALL THREE SOVIET SATELLITES HAVE BOYCOTTED A "WATCHDOG" COMMISSION APPOINTED BY THE UNITED NATIONS TO HELP KEEP PEACE IN

THE BALKANS.

INDICATING THE LINE TO BE TAKEN IF THE GREEK QUESTION IS REOPENED AT LAKE SUCCESS, L'HUMANITE SAID THAT "DURING THE RECENT DEBATES AT THE U.N. THE FAVORITE ARGUMENT OF THE ANGLO-AMERICANS WAS THAT THEY HAD BEEN CALLED INTO GREECE BY A LEGAL GOVERNMENT--THE ELECTORAL COMEDY WHICH HAD BROUGHT THE ATHENS PSEUDO-GOVERNMENT TO POWER SERVING THEM AS JUSTIFICATION."

"THE CREATION IN THE LIBERATED TERRITORIES OF A GREEK GOVERNMENT CONFORMING TO THE POPULAR WILL DESTROYS THIS LEGAL FICTION," THE PAPER WENT ON.

"THE DEMOCRATIC GOVERNMENT OF GENERAL MARKOS WILL NO DOUBT BE RECOGNIZED BY A CERTAIN NUMBER OF COUNTRIES. IN THESE CONDITIONS, THE ANGLO-AMERICANS WILL NOT BE ABLE, WHETHER THEY WANT TO OR NOT, TO DENY THAT IT HAS THE CHARACTER OF A DE FACTO GOVERNMENT."

DEC 1947

M73AAES

WITH PARIS (AX5)

MOSCOW, DEC. 25--(AP)--ALL MOSCOW NEWSPAPERS CARRIED BRIEF TASS DISPATCHES FROM ATHENS TODAY ANNOUNCING THE FORMATION OF A "PROVISIONAL PEOPLE'S DEMOCRATIC GOVERNMENT OF GREECE" BY PARTISANS. THERE WAS NO EDITORIAL COMMENT.

1048 JNT123PES

BERLIN, DEC. 25--(AP)--SAXONY HAS CLAMPED DOWN ON A MOVEMENT AMONG SOME GERMAN MANUFACTURERS IN THE RUSSIAN-OCCUPIED STATE TO TRANSFER THEIR BUSINESSES TO THE U.S. AND BRITISH OCCUPATION ZONES, THE BRITISH-LICENSED GERMAN PRESS SERVICE SAID TODAY.

A DIRECTIVE HAS ISSUED AGAINST THE MOVEMENT OF THE BUSINESSES AND HEAVY PENALTIES, INCLUDING DEATH, WERE ORDERED FOR SUCH "ECONOMIC CRIMES," THE AGENCY SAID IN A DISPATCH FROM DRESDEN.

THE DISPATCH SAID THE ECONOMICS MINISTER OF SAXONY ANNOUNCED THE DIRECTIVE AT A NEWS CONFERENCE AND QUOTED HIM AS SAYING:

"IT HAS BEEN NOTED RECENTLY THAT NUMEROUS SUCH MOVES TO THE WEST HAVE BEEN ATTEMPTED. SAXONY WILL NOT COUNTENANCE THIS BECAUSE IT WANTS TO RETAIN ALL ITS PRODUCTION CAPACITY."

KA58DESKES 1-1310 JNT 105SAES

BLACK MARKET WOOLENS ARE SOLD AT UP TO $40 A YARD HERE.

CEPICKA INSTITUTED THE ACTION AFTER LOSING A FIGHT IN THE CABINET LAST WEEK IN WHICH HE DEMANDED THAT THE DISTRIBUTION OF TEXTILES BECOME A GOVERNMENT MONOPOLY TO BE HANDLED BY HIS MINISTRY.

OTHER PARTIES OPPOSED HIS PLAN ON THE GROUND THAT IT WOULD MAKE THE GOVERNMENT A DIRECT DISTRIBUTOR FOR THE FIRST TIME. EVEN THE PRODUCTS OF NATIONALIZED FACTORIES GENERALLY ARE HANDLED BY PRIVATE WHOLESALERS.

BD833PES

DEC 1947

30.24- 14469

First Lead Jerusalem (A51)

INTERRUPTION today
Jerusalem, Dec. 25-(AP)-Christmas brought no surcease to the communal killings in Palestine over partition.

By midafternoon, two Jews and an arab had been reported slain in desultory violence which raised the total of fatalities in Palestine since Nov. 29 to 333 and in the whole Middle East to 454.

~~Reliable~~ Jewish sources said two Jews were killed and nine wounded in several skirmishes in Haifa. An unspecified number of Arabs were injured. One of the dead was a woman, 35, hit by a stray bullet.

An arab crowd was said to have attacked two trucks bringing dairy foods to Haifa, setting both afire and killing one driver.

DEC 1947

Two of the wounded Jews were passengers in a bus attacked in the Wahdi Rushmya area in Haifa east. Hagana underground forces were reported to have returned fire.

Police said "a party of unknown persons believed to be Jews attacked Beit Safafa village in the Jerusalem district with automatic fire and grenades" before dawn, killing an arab.

Two trains were fired on the Lydda-Haifa main line but no damage or casualty was reported.

A bomb was thrown into the Jaffa prison courtyard while Jewish prisoners were having a morning walk, a private informant said. Three Jews were reported wounded, two seriously.

A Hagana spokesman at Tel Aviv asserted that a number of Arab villages in Palestine had concluded a sort of informal "non agression pact" with neighboring Jewish villages.

He said the Arab villages, which for reasons of security cannot be named, had agreed not to admit foreigners who might participate in attacks on Jews. The Hagana spokesman asserted that less than

DEC 1947

1,000 anti-jewish Arab fighters presently were active in Palestine.

Hagana was reported to have gone into action on two fronts in the Jaffa-Tel Avib border, raiding Arab sniping posts and cafes suspected of being headquarters of Arab gunmen. The cafe raids were broken off when two British armored cars appeared.

In jerusalem the rattle of gunfire drowned out the tolling of the midnight bells as tracer bullets arced above the tower of david, and dug into the wall of the young men's christian association building and crashed through jewish shop windows.

DEC 1947

the chatter of automatic weapons greeted pilgrims returning from bethlehem's traditional reenactment of the nativity early today.

In jerusalem the armed forces of hagana were called out to repulse an arab attack on the crowded beth hacaren quarter. the attackers left one dead and three wounded.

In the rocky hills north of jerusalem jews stalked arab fighters, suspected of attacking highway convoys, killing one, and wounding three.

in battered haifa jew and arab patrols surged back and forth leaving

eight dead and 25 wounded.

british service men who attended

along from the shoulder, and blu

ushers within the church and directed t

a handful of christian arabs and w

scotch sixth airborne troopers and kilt

brilliantly lighted chapel.

last night sir alan cunningham, br

lt. gen. s. h. a. macmillan, chief secre

DEC 1947

30.24- 14471

officials attended protestant services. ~~Police armored cars~~ armored police cars convoyed the notables from jerusalem to bethlehem and back.

it was the last christmas eve in palestine for british troops after 30 years of occupation.

in the sacred grotto itself, ~~where jesus is believed to have lain in~~ a manger, women of bethlehem in colorful headresses joined diplomats and government officials in prayer.

DEC 1947

in the side streets of bethlehem shops were crowded with service men seeking some small souvenir of their visit. small cups of arab coffee and glasses of christmas wine were servedto customers.

fearful lest any attempt at a political murder might mar the holy occasion authorities ordered soldiers with tommy guns to line the route to jerusalem and ~~xxxx~~x ensure the safety of members of the foreign consular corps.

communal strife abated little on this holest of christian days. reports from jerusalem said that thelives of 10 arabs and five jews were claimed in scattered street battles on christmas eve and more than a ~~xxxxx~~

DEC 1947

(x)

...core were injured.

the death toll since the united nations voted nov 29 to partition pales-

palestine into separate jewish and arab states rose to 322.

apl

curtises thru third 0030

DEC 1947

P528PC

...MOORE'S MOTHER, MRS. HAZEL MOORE, IS WAITING HERE NOW FOR EXPERTS
...TO DETERMINE WHETHER HER SON'S BODY IS ONE OF THE THREE.
...SHE HAS BEEN CLINGING TO THE HOPE THAT HE WOULD BE FOUND ALIVE,
...DESPITE AMERICAN CONSULAR REPORTS EARLY THIS MONTH THAT HE HAD BEEN
...KILLED IN THE CRASH WITH TWO CHINESE CREWMEN.

EQTWAR CRIMES (140)
TOKYO, FRIDAY, DEC.26-(AP)-SIR WILLIAM WEBB, PRESIDENT OF THE
INTERNATIONAL WAR CRIMES TRIBUNAL, CROSS-EXAMINED FORMER FOREIGN MINISTER
SHIGENORI TOGO ON BEHALF OF 11 ALLIED NATIONS TODAY.
WEBB ASKED TOGO WHETHER THE UNITED STATES ASKED JAPAN MERELY TO
WITHDRAW TROOPS FROM CHINA AND FRENCH INDO CHINA, REFERRING TO U.S.
SECRETARY OF STATE HULL'S NOTE TO JAPAN DATED NOV. 26, 1941.
"NO" TOGO REPLIED. "THE UNITED STATES ALSO ASKED NEGATION OF THE
TRIPARTITE PACT OBLIGATIONS AND NO RECOGNITION BY JAPAN OF THE
MANCHUKUO AND NANKINGS REGIME IN CHINA."
HE ADDED: JAPAN WAS ASKED TO GIVE UP ALL HER PLANS AND
ACCOMPLISHMENTS ON THE CONTINENT, AND IT WOULD HAVE COMPLETELY NEGATED
ALL SHE HOPED TO DO."
TOGO WAS EXPECTED TO RETURN TO THE STAND FOR A FEW MINUTES AFTER THE
NOON RECESS, BUT THEN GIVE WAY TO DR. ICHIRO KIYOSE, ATTORNEY FOR
WARTIME PREMIER HIDEKI TOJO, THE CHIEF DEFENDANT.
UM828PPS NM

TOKYO--SECOND ADD TOJO X X X AS 1929.

WITH THE AVOWED PURPOSE OF DEFENDING HIS COUNTRY AND HIS EMPEROR RATHER THAN HIS PERSONAL CONDUCT, ~~THE BALD, LYNX-EYED~~ TOJO BEGAN WITH THE DECLARATION THAT HE WOULD ACCEPT POLITICAL BUT NOT CRIMINAL RESPONSIBILITY FOR HIS ACTS AS A JAPANESE ARMY OFFICER AND GOVERNMENT OFFICIAL.

HIS STATEMENT, IS EXPECTED TO REQUIRE AT LEAST TWO DAYS OF STEADY READING BY HIS LAWYER, IICHIRO KIYOSE.

AFTERWARDS WILL COME PROSECUTION CROSS-EXAMINATION, WHICH EVERYONE IN THE JAMMED COURTROOM KEENLY ANTICIPATES AS PROBABLY TO RANK AMONG THE MOST SEARCHING IN THE HISTORY OF JURISPRUDENCE.

TOJO'S STATEMENT, REPLETE WITH THE OLD FAMILIAR JAPANESE ARGUMENTS THAT THE PROPOSED "NEW ORDER" IN EAST ASIA WAS DESIGNED TO THROW OFF ECONOMIC SLAVERY IMPOSED BY WESTERN POWERS, APPEARED AIMED AT RECORDING FOR POSTERITY A GENERAL DEFENSE OF JAPAN, RATHER THAN MERELY A PERSONAL DEFENSE OF TOJO.

THE 63-YEAR-OLD TOJO APPEARED FULLY RECOVERED FROM A PISTOL SHOT WOUND IN THE CHEST HE INFLICTED IN AN ATTEMPTED SUICIDE SOON AFTER THE SURRENDER.

HIS DEPOSITION TERMED "FANTASTIC" THE PROSECUTION CHARGES THAT JAPANESE MILITARISTS HAD ENGAGED IN A CONSPIRACY TO WAGE WAR SINCE 1920.

HE DECLARED THAT WHEN JAPAN ENTERED INTO NEGOTIATIONS WITH THE UNITED STATES EARLY IN 1941 "THE THOUGHT NEVER OCCURRED TO THE JAPANESE" THAT "AMERICA WAS ENTERING INTO THE NEGOTIATIONS FOR REASONS OF DESPERATION...OR FOR THE PURPOSE OF GAINING TIME."

TOJO SAID THE U.S. STIFFENED ITS ATTITUDE TOWARD JAPAN BECAUSE IT KNEW IN ADVANCE THAT GERMANY WAS GOING TO ATTACK RUSSIA, AN EVENT WHICH HE ASSERTED CAUGHT TOKYO FLAT-FOOTED.

DECLARING CHINA AND EUROPEAN POWERS WITH "RICH INTERESTS IN EAST ASIA" WANTED THE UNITED STATES IN THE WAR, TOJO ADDED:

DEC 1947

A115FX

"BUT THERE IS NO DOUBT IN MYMIND THAT OUR DECISION TO MAKE WAR WAS MADE ONLY AS A LAST RESORT, AND BY REASON OF URGENT NECESSITY."

HE REITERATED THAT "THE POLICY OF JAPAN, AND CERTAINLY THE CHOICE OF HER DULY CONSTITUTED OFFICIALS OF STATE, INVOLVED NEITHER AGGRESSIONS NOR EXPLOITATION."

"STEP BY STEP," HE CONCLUDED, "THROUGH NUMEROUSLY LEGALLY SELECTED CABINETS AND WITHOUT A VARIANCE IN REGULARLY CONSTITUTED GOVERNMENTAL PROCEDURE, OUR COUNTRY FINALLY WAS BROUGHT FACE TO FACE WITH STARK REALITY; AND TO US WHO AT THAT PERIOD WERE WEIGHTED WITH THE DUTY OF DECIDING THE FATE OF OUR NATION, A WAR OF SELF-EXISTENCE (SIC) WAS OUR ONLY ALTERNATIVE. WE STAKED THE FATE OF OUR COUNTRY ON THAT DECISION AND LOST...

"NEVER AT ANY TIME DID I EVER CONCEIVE THAT THE WAGING OF THIS WAR WOULD OR COULD BE CHALLENGED BY THE VICTORS AS AN INTERNATIONAL CRIME OR THAT THE REGULARLY CONSTITUTED PUBLIC OFFICIALS OF THE VANQUISHED NATION WOULD BE CHARGED INDIVIDUALLY AS CRIMINALS UNDER ANY RECOGNIZED INTERNATIONAL LAW OR UNDER ALLEGED VIOLATIONS OF TREATIES BETWEEN NATIONS.

"AS TO THE OTHER QUESTION, THE RESPONSIBILITY FOR DEFEAT, I FEEL THAT IT DEVOLVES UPON MYSELF AS PREMIER. THE RESPONSIBILITY IN THAT SENSE I AM NOT ONLY WILLING BUT SINCERELY DESIRE TO ACCEPT FULLY."

EARLIER, SIR WILLIAM WEBB, PRESIDENT OF THE TRIBUNAL, CROSS-EXAMINED EX-FOREIGN MINISTER SHIGENORI TOGO ON BEHALF OF 11 ALLIED NATIONS.

WEBB ASKED X X X ETC., SECOND GRAF PVS.

WR1019PPS

TOKYO, FRIDAY, DEC.26-(AP)-THE JAPANESE GOVERNMENT WENT INTO THE HORSE RACING BUSINESS TODAY.

THE CABINET DECIDED THE GOVERNMENT SHOULD OPERATE THE NATION'S 11 MAJOR TRACKS IN THE INTERESTS OF FAIR RACING AND INCREASED REVENUES. PREFECTURAL GOVERNMENTS WILL RUN THE SMALLER TRACKS.

WR944PPS NM

MANILA, DEC. 25-(AP)-THE FILIPINO-OWNED MANILA TIMES, LARGEST NEWSPAPER IN THE PHILIPPINES, DECLARED TODAY THAT LATIN AMERICA, "THE CRUTCH ON WHICH THE UNITED STATES IS LEANING FOR SECURITY IN WORLD WAR III, X X X LOOKS PRETTY MUCH LIKE A BROKEN REED."

THE COMMENT WAS CONTAINED IN AN EDITORIAL ATTACKING LATIN AMERICAN ACTIONS AT THE INTERNATIONAL TRADE ORGANIZATION CONFERENCE IN HAVANA. IT SAID LATIN AMERICAN NATIONS HAD TAKEN THE STAND THAT PEOPLES LIVING OUTSIDE THEIR PORTION OF THE WESTERN HEMISPHERE "MAY BE PERMITTED TO HELP THE BLOC, BUT THIS IS TO BE TAKEN AS A PRIVILEGE AND NO SUCH NONSENSE AS QUID PRO QUO IS TO BE TOLERATED." THE NEWSPAPER DESCRIBED SUCH A STAND AS SPECIOUS AND SELFISH.

THE TIMES SAID QUOTA RESTRICTIONS FOR WHICH LATIN AMERICAN NATIONS ARE STRIVING "CAN BECOME VICIOUS" WHEN "IMPOSED FOR THE BENEFIT OF A HANDFUL OF WEALTHY MEN IN CERTAIN COUNTRIES WHERE THE MASSES ARE NOT ONLY UNINDUSTRIALIZED BUT LARGELY ILLITERATE."

DEC 1947

MH312PPS NM

BALBOA--FIRST ADD CANAL (A77) X X X THE CANAL ZONE.

WITHDRAWAL OF THE 1,278 OFFICERS AND MEN FROM THE BASES, 13 IN ALL, BEGAN AT DAWN YESTERDAY. THE FIRST 50 TROOPS TO BE EVACUATED ARRIVED AT ALBROOK AIRFIELD, WITHIN THE 10-MILE WIDE CANAL ZONE, BY TRANSPORT PLANE FROM BASES ON SAN JOSE AND REY ISLANDS.

ARMY HEADQUARTERS SAID THE OPERATIONS WERE CARRIED OUT TODAY SO AS TO INTERFERE AS LITTLE AS POSSIBLE WITH THE CELEBRATION OF CHRISTMAS. MOST OF THE ACTIVITIES WERE BELIEVED LIMITED TO THE PACKING OF ARMY EQUIPMENT AND PERSONAL BELONGINGS.

ALL MILITARY PROPERTY IS TO BE REMOVED FROM THE BASES.

WILLIAM STEVENSON, PANAMA REPRESENTATIVE OF PAN AMERICAN AIRWAYS, SAID HE HAD OBTAINED PERMISSION FROM PANAMA TO STATION PAN AMERICAN PERSONNEL AT THE RIO HATO AIR BASE AND REY AND TABOGA ISLANDS TO AID AIRCRAFT NAVIGATION, IN COMPLIANCE WITH REQUIREMENTS OF THE CIVIL AERONAUTICS ADMINISTRATION.

JJ137PES

b/s.K

30.24- 14473

(ADVANCE)--WASHINGTON, DEC 25-(AP)-THE UNITED STATES AIR FORCE WINDS UP THE YEAR WITH 335,000 MEN AND OFFICERS, WELL ALONG ON THE ROAD TO RECOVERY FROM ITS POSTWAR LOW OF 301,000.

IT ANNOUNCED TODAY THAT IN THE PERIOD JUNE-TO-SEPTEMBER, INCLUSIVE, ITS ENLISTMENTS AVERAGED 11,000 MEN A MONTH. THIS COMPARES WITH THE MONTHLY RATE OF 9,000 NEEDED TO BRING IT UP TO THE TARGET FIGURE OF 401,000 MEN AND OFFICERS BY THE END OF NEXT JUNE. THE 401,000 MAN-POWER IS THE SIZE WHICH THE AIR FORCE ESTIMATES CAN BE USED UNDER PRESENT APPROPRIATIONS FROM CONGRESS.

AIR FORCE RECRUITING HAS CONTRASTED SHARPLY WITH THE ENLISTMENT DIFFICULTIES THE GROUND ARMY HAS HAD FOR THE LAST YEAR.

MORE THAN 46,000 OF THE 64,000 OFFICERS WHO WILL BE NEEDED FOR THE 401,000-MAN AIR FORCE ARE NOW ON ACTIVE DUTY, THE USAF SAID, AND IT EXPECTS TO BRING THE OFFICER CROPS UP TO REQUIRED STRENGTH FROM THE 30,000 APPLICATIONS FROM AIR RESERVE OFFICERS WHO DESIRE TO GO ON ACTIVE DUTY.

EXPIRATION OF SHORT-TERM ENLISTMENTS FOR WHICH ENLISTED MEN SIGNED UP SOON AFTER THE WAR ACCOUNTED FOR A HIGH TURNOVER IN MANPOWER DURING THE LAST YEAR, THE AIR FORCE SAID. MORE THAN 95,000 MEN LEFT THE USAF IN 1947.

(END ADVANCE FOR AMS FRIDAY DECEMBER 26)

PF538PES

NIGHT LEAD UNDATED CHRISTMAS (320) DEC 1947

BY THE ASSOCIATED PRESS

(NY) THE BIRTHDAY OF THE PRINCE OF PEACE WAS OBSERVED WITH PRAYERS AND FEASTING IN MOST OF CHRISTENDOM TODAY BUT IN THE TROUBLED HOLY LAND COMMUNAL STRIKE CONTINUED TO CLAIM THE LIVES OF ARABS AND JEWS.

AMERICANS, WARMED BY THE SPECIAL SPIRIT OF FRIENDLINESS RADIATED BY CHRISTMAS, DEVOTED THEMSELVES TO QUIET FAMILY CELEBRATIONS AND TO SEEING THAT THE NEEDY AND THE SICK HAD A MERRY HOLIDAY.

VETERANS ORGANIZATIONS AND SOCIAL SERVICE GROUPS MADE A PARTICULAR POINT OF PROVIDING CHRISTMAS CHEER FOR HOSPITALIZED VETERANS, WHILE THE SALVATION ARMY, THE RED CROSS AND INDIVIDUALS SAW TO IT THAT THE NEEDY RECEIVED WARM DINNERS AND GIFTS.

PRESIDENT TRUMAN SPENT THE DAY AT THE WHITE HOUSE WITH RELATIVES AND A FEW CLOSE FRIENDS WHILE THE GOVERNMENT'S RADIO STATIONS BEAMED OVERSEAS HIS CHRISTMAS EVE ADDRESS PROMISING MORE AID TO NEEDY COUNTRIES.

IN LONDON, KING GEORGE VI EXPRESSED HOPE THAT THE YULETIDE SPIRIT OF GOOD WILL MIGHT SPREAD "IN EVER WIDENING CIRCLES UNTIL, IN THE FULLNESS OF TIME, IT CHANGES THE FACE OF THE WORLD."

THE KING ASKED HIS SUBJECTS TO JOIN IN HOLIDAY PRAYERS THAT PRINCESS ELIZABETH AND PRINCE PHILIP WILL NOT ONLY HAVE HAPPINESS, "BUT WILL CONTINUE ALSO TO DESERVE AND TO ENJOY THE LOVE OF ALL THE BRITISH PEOPLES."

THE BOULEVARDS OF PARIS AND PIAZZAS OF ROME WERE THRONGED WITH PROMENADERS WHO HAD ATTENDED EARLY MORNING MASSES AS GENERALLY MILD WEATHER ON THE CONTINENT DREW THOUSANDS FROM THE FAMILY FIRESIDES.

IN MOSCOW, BLANKETED BY A HEAVY SNOW, THE FOREIGN COLONY CELEBRATED THE HOLIDAY WITH RELIGIOUS SERVICES AND PRIVATE PARTIES.

DOWN UNDER, AUSTRALIANS, WHO SET NEW SPENDING RECORDS IN PURCHASING TEN OF MILLIONS OF DOLLARS WORTH OF BRITISH-MADE GOODS DURING THE PRE-CHRISTMAS RUSH, GENERALLY OBSERVED THE DAY QUIETLY.

DESULTORY VIOLENCE IN PALESTINE RESULTED IN REPORTS THAT TWO JEWS AND AN ARAB WERE SLAIN, RAISING THE TOTAL OF FATALITIES IN THE HOLY LAND SINCE NOV.29 TO 333.

THE DREAM OF THE UNITED NATIONS TOOK ON REAL MEANING FOR RESIDENTS OF BINGHAMTON, ENDICOTT AND JOHNSON CITY, N.Y., WHO ENTERTAINED 175 CLERKS, STENOGRAPHERS, INTERPRETERS AND OTHER U.N. EMPLOYES FOR THE HOLIDAY.

MK408PES DEC 1947

End Dec. 25, 1947

30.24- 14475

HEAVY ATTACKS LAUNCHED BY GREEK REBELS IN NORTH

GUERRILLAS REPULSED BY GREEKS

DEC 1947

Reported Held On Two Widely Separated Fronts

L.S. CHARLES

Athens, Dec. 26 (AP)—Government troops on two far-apart fronts were reported tonight to be holding off guerrilla forces some 3,500 strong, spurred to a new offensive by proclamation of a Greek Communist state.

At Konitsa, about 5 miles below the Albanian border, the Government garrison beat back approximately 2,000 guerrillas in withstanding the third violent assault in two days. Authoritative sources said the rebels' fire power was vastly greater than the army's.

Near Agrinion, 100 miles to the south on the main northward route, the bulk of some 1,500 guerrillas who had tried to take the city were reported surrounded in the village of Kato Proclova, 12 miles east.

Emphasizes Army Strength

In Athens, Premier Themistokles Sophoulis called on Karl Rankin, United States chargé d'affaires, for an hour tonight and emphasized the necessity for strengthening the Greek army.

Government circles said they were surprised at United States delay in responding to pleas for arms. They said numerous messages had been sent and the United States had not made any sort of reply. American officials here did not comment immediately.

The United States has undertaken to aid Greece with $300,000,000 in military and other supplies. Sophocles Venizelos, Sophoulis' special envoy to acquaint the United States with Greece's military needs, now is in America.

Commanders Wounded

"From the battle of Konitsa it has been shown that our army is worthy of the confidence of the nation," Sophoulis said tonight. "It is sad, however, to note that commanding officers of units have been wounded, but this is evidence that the army, despite material deficiencies, is fighting with unparalleled heroism."

Informants said a law outlawing the Communist party, the EAM (National Liberation Front), and other extreme Left-wing groups would be put into effect tomorrow.

The Ministry of Justice was completing the measure tonight. Legal experts said it would be based on an anti-Communist law passed under Premier Eleuftherios Venizelos but not enforced lately, and would provide stiffer penalties than that law.

To Be Approved At Noon

The new measure will be approved tomorrow noon by the Coordinating Council, which is empowered to legislate while Parliament is in adjournment, and will become effective inside of ten minutes by publication in the Government *Gazette*, the informants said.

Weeding out of subversive elements in the civil service was understood to have been agreed upon.

Guerrillas were using artillery to pound Konitsa. Informed sources said the army had few if any pieces of artillery in that area.

Authoritative reports disclosed that Konitsa's defense was being directed from a hospital bed by Brigadier Constantine Dovas, wounded in the initial attacks.

Counterattack Expected

Military experts in Athens said they believed it would be at least 48 hours before the situation there would become clarified.

A heavy Government counterattack was expected before the end of that time, once Greek troops in the area had been redisposed.

The military leaders here said the guerrillas were trying to extend their territorial holdings for the Communist state proclaimed by Gen. Markos Vifiades, guerrilla chieftain.

George Stratos, Minister of War, flew to the fighting zone. Maj. Gen. Michael Andonopoulos, 8th Division commander in Ioannina, south of Konitsa, expressed optimism over the outcome of the current battle.

Diversionary Action

There were no reports of progress in the fighting around Philates, 40 miles southwest of Konitsa, but observers said guerrilla action there might have been diversionary.

Konitsa's importance to the guerrillas lies in the fact it is a control point for the Saranta River valley—a natural line of communication with Albania. The guerrillas tried to take it last July but failed. It is 6 miles from the Albanian border.

Some military men believe Vifiades has his headquarters in Albania. An official Government announcement in Athens said the bulk of the attacking force came from Albania, while other smaller bands joined from the near-by hills.

Reached Western Limits

A Government communiqué said the Konitsa attack began with a heavy artillery and mortar barrage and that one guerrilla unit managed to reach the western limits of the city before it was driven back.

Approximately 200 shells from guerrilla cannon dropped in the town by 2 P.M. yesterday.

Press dispatches said a plane with markings of the Yugoslav air force was seen making a reconnaissance flight over the battle zone. Before it could be engaged by two Greek air force Spitfires the plane crossed into Albania, the dispatches said.

Air Force And Navy

It was recalled that Militades Porphyroyennis, Communist Minister of Justice in the Vifiades government, said the new regime intended to create a stronger army with an air force and navy. Because of lack of landing fields in northern Greece, any planes operating for the Communists would have to come from foreign bases.

Meanwhile, Constantine Rentis, Minister of Public Order, announced a public oath of loyalty would be demanded from all persons who had previously sympathized with the Communists, regardless of whether they were in private enterprise or working for the Government.

Protest To Yugoslavia

More than 500 persons were under arrest in Athens in what police said was a Communist-inspired plot to assassinate prominent figures in Greek political life. No names of persons arrested were disclosed.

An authoritative Government source said the Greek charge d'affaires in Belgrade had been instructed to deliver a "vigorous protest" to Marshal Tito's Government for making the Belgrade radio available to guerrilla agents.

[In Moscow, foreign observers predicted that the new Greek Communist state would be recognized soon by several countries in the Soviet sphere of influence. Representatives of the Athens Government in Moscow were said to hold the same opinion.]

Greek Leftists Launch New Offensive

DEC 1947

L.S. CHARLES

Athens, Dec. 26 (AP)—Guerrilla forces opened heavy attacks near the Albanian border today in what military experts said was an attempt to expand territorial holdings for the newly proclaimed Communist state within northern Greece.

More than 500 persons have been arrested by Greek authorities in the Athens area since the proclamation of the state by Gen. Markos Vifiades, leader of the anti-Government Communist forces in the northern fighting zones.

The guerrillas attacked 1,500 strong south of Ioannina and sliced Greek Army supply lines to Epirus.

"Very Heavy Losses"

Two guerrilla brigades and two additional battalions launched a heavy attack yesterday at Konitsa, covering the assault with a heavy barrage of mortar and artillery fire. An army communiqué said they were held back with "very heavy losses."

Forty miles to the west, at Philiates, a fierce action was reported under way today between a "strong force" of guerrillas and army troops. Reports on the action were sketchy. Press reports said a plane with Yugoslavia Air Force markings, reconnoitering over the area, was driven off by Greek fighters.

Greek Army reinforcements were being rushed to defense points in the fighting zones.

War Minister George Stratos flew to the main battle area south of the Albanian border, to take personal charge of the operations.

250 Shells Dropped

By 2 P.M. yesterday afternoon the attackers had dropped 250 shells into Konitsa. The brigadier commanding Konitsa garrison was among those wounded. The army said that although the garrison was taken by surprise, not one attacker set foot in the town.

Another guerrilla force simultaneously attacked the Bourbazani Bridge, northwest of Konitsa, and took it. The bridge has considerable strategic importance.

Other army units, meanwhile, continued their search for the headquarters of Vifiades, who Wednesday announced the creation of an independent Communist state in the fighting zone.

Want Area Defined

Greek forces, who have searched diligently for the past 72 hours, confess they are still in the dark as to the location of Markos's headquarters.

Army leaders say they wish the 41-year-old Communist "general" would define his free territory within Greek borders so they could get at him. Military officials assert that Markos could not hold any given area for 48 hours.

The omission of Communist Leader Nicholas Zachariades from the insurgent "government" has caused some speculation, but most political observers here believe the Moscow-trained Zachariades is the actual boss.

Head Of Underground

John Ioannides, who is Deputy Prime Minister of the Vifiades state and in charge of police and security, is regarded as second only to Zachariades in the party. Ioannides reputedly heads the party's entire underground system.

Greek Premier Themistokles Sophoulis predicted that the insurgent state probably would be recognized by Albania, Yugoslavia and Bulgaria.

[The Paris press forecast that the Soviet satellite states would recognize the Communist state—a move interpreted as opening the way for more aid to the guerrillas from those countries.

[The French papers said the United States assumed "heavy responsibility" in further aid to the regime in Athens.

[Moscow newspapers carried brief Tass dispatches from Athens announcing formation of the Markos government, but made no comment.

Appeal For Order

[The Yugoslav press carried detailed reports of Markos's proclamation, but Government officials refused to comment on the Communist state.]

Constantine Rentis, Minister of Public Order, called on police and the national guard to redouble their efforts in fighting the guerrillas.

Shortly after Vifiades's proclamation of his new state, police announced they had rounded up several hundred persons in connection with the plot to assinate a number of prominent Greek politicians.

Some 350 persons were arrested in Athens and Piraeus, while another hundred were reported under arrest in Kiphissia, Athens suburbs.

Two Revealed Plot

Authorities said they first learned of the alleged plot after questioning two Communists charged with shooting and killing a policeman in Athens December 9. Police said the men revealed the plot and gave the names of Gonatas as one of the leaders marked for assassination.

How Vifiades became commander of Greek guerrilla forces has aroused curiosity. Insurgent leaders themselves say he rose to power in October, 1946, when he was "elected" commander by guerrilla captains.

According to Greek police records, he has been jailed at least eight times since 1929 on charges ranging from making seditious speeches to provoking riots, inciting strikes, assault, carrying false identity papers and robbery.

Ruthless In Tactics

The Communist commander is said to be fanatic in his devotion to the party, ruthless in his tactics and efficient in administration.

Born in Kastamonu, Turkey, in 1906, Vifiades first came to Greece via Constantinople with a wave of refugees following the abortive

Greek campaign against the Turks in 1923.

Markos went from job to job, working as a street peddler, shipping clerk and coffee-house waiter, before becoming a tobacco worker in Kavalla, where he joined the Communist youth movement. Since then he has had a stormy career as a political agitator.

Yugoslav Hails Regime Set Up In North Greece

Belgrade, Yugoslavia, Dec. 26 (AP)—A Foreign Office spokesman said today Yugoslavs consider that the formation of a provisional government by Gen. Markos Vifiades in northern Greece represents "a considerable step in the struggle for the independence and freedom of Greece."

The spokesman told a news conference he was not authorized to make "any statement on the position of our Government" on the newly announced Communist régime, but added:

"I consider it necessary to emphasize that our peoples have been looking with sympathy at the heroic struggle of the Greek people against foreign expansionists and they consider the forming of the provisional government . . . as representing a considerable step in the struggle for the independence and freedom of Greece."

Belgrade newspapers carried texts of the radio broadcasts in which General Vifiades, 41-year-old former tobacco worker, reported formation of what he termed the "first provisional democratic government of free Greece" and summoned fighting men of the Leftist Elas to take up arms in its support.

British Decisions On Soviet

DEC 1947

A. H. SINGLETON

London, Dec. 26 (AP)—Britain may take her first definite steps next week toward abandoning efforts to assume a mediator's role in postwar world affairs and move instead in the direction of a "stop Russia" partnership with the United States.

The full British Cabinet will meet on Monday to weigh a tentative blueprint of this country's position in international affairs, a plan which has been drafted by Ernest Bevin, Foreign Secretary, since the breakdown of the Foreign Ministers Conference on Germany.

Reluctant To Force Showdown

Government officials have shown no inclination to minimize the importance of the decisions to be reached. Privately, they have acknowledged these decisions must encompass policy questions not only concerning Germany, but all areas where Russia and the western powers have come into economic and ideological conflict.

Still smarting over the accusations of Vyacheslav M. Molotov, Soviet Foreign Minister, that Britain is pursuing an "imperialistic" policy, Bevin nevertheless has been reliably reported as reluctant to force a showdown which might end big-power consultations indefinitely.

Prior to the Big Four conference, Foreign Office spokesmen repeatedly emphasized a conviction that East-West differences could be surmounted through compromise and conciliation.

Other Factors Develop

Even after it was over, Bevin is said to have refused to commit Britain when George C. Marshall, United States Secretary of State, unfolded to him privately the outline of a plan to halt delivery to Russia of dismantled industrial plant facilities as reparations from the American zone of Germany.

Since then, however, a number of other factors have developed or been intensified in importance. There is a strong likelihood that these will help shape the decisions of Bevin and the Cabinet in the direction of greater support for American policies.

Perhaps the chief of these has been the widespread approval here which greeted most of the recommendations—including that for a large slice of financial aid for Britain—in President Truman's presentation to Congress of the Marshall recovery plan for Europe.

Another factor is the increased Soviet campaign of accusations against British-American policies, from Germany south to Greece and the Middle East. This has served to generate British resentment.

A Top Secret

Another element is the guerrilla announcement of the establishment of a Greek Communist state which may win the open support of Soviet-influenced nations.

Just what Bevin's memorandum to the Cabinet will contain remains a top secret. But in view of the "full review" of foreign policy, which official Government sources say will be made, it seems certain the blueprint will deal with some, if not all, of these questions:

1. Methods of wooing France into the present Anglo-American economic operation of western Germany.

2. The advisability and dangers of extending some degree of political control to the Germans in the western zones.

3. Steps for strengthening the British position among the Arab states through new treaties of alliance.

4. The objectives of Britain and the commonwealth if and when a peace treaty with Japan is drafted.

N.S. Khruschev Renamed As Red Leader in Ukraine

LONDON, Dec. 26 (AP).—The Moscow radio said tonight Nikita S. Khruschev had been named secretary of the Communist party of the Ukraine, Russia's second largest republic.

Mr. Khruschev, who has been serving as chairman of the Ukraine Council of Ministers (Premier), has been replaced in that job by D. S. Korotchenko, the radio said.

In the party post, he succeeds Lazar M. Kaganovich, recently recalled to Moscow to be deputy chairman of the Soviet Union's Council of Ministers.

Mr. Kaganovich himself succeeded Mr. Khruschev in the party secretaryship last March. Before that time, Mr. Khruschev had held both the party job and the chairmanship of the Ukraine Ministers' Council.

His replacement in the party leadership by Mr. Kaganovich, an industrial troubleshooter, was coincidental with reports abroad that the war-devastated Ukraine was lagging in recovery.

Another Moscow broadcast tonight said the Ukraine's light industry had fulfilled its 1947 production program Dec. 22. The light-industry target there for next year is 70 per cent higher than this year's, the radio said.

SAYS U. S. EMPLOYS NAZIS

Izvestia Charges Former SS Men Serve Zone Industrial Police

LONDON, Dec. 26 (AP)—The Moscow newspaper Izvestia said tonight that an industrial police force "manned by former SS men" has been created in the American Zone of Germany.

Peter Nikitin, Izvestia correspondent in Berlin, describing the force in a dispatch distributed here by Tass, said it is "acting on General [Lucius D.] Clay's instructions."

Its operation is being justified, the correspondent said, by statements from the United States Military Administration that an industrial police force does not constitute a military unit and that its personnel bears arms "only during working hours."

GAULLIST YOUTH FORMED

New Organization to Be Under Party's Secretariat

PARIS, Dec. 26 (AP)—Charles de Gaulle's political party, the Rally of the French People, announced today the creation of a youth group.

The new organization will be responsible to the party's secretariat an its executive committee. A chief will be appointed for each of the ninety French departments.

A spokesman said that the movement was created because youth has "particular problems, especially with regard to leisure and trips."

Report 106 Viet Namese Killed

PARIS, Dec. 26 (AP).—A French military communique received today from Saigon said 106 Viet Nam (Nationalists) partisans were killed in five different engagements in French Indo-China. Viet Nam attacks on French Army convoys and French attacks on Nationalist river junks continued.

MESSAGE OF POPE WIDELY APPROVED

DEC 1947

Vatican City, Dec. 26 (AP).—Vatican sources said today Pope Pius had received telegrams from all parts of the world congratulating him on his Christmas Eve broadcast in which he denounced what he called the "policy of insincerity" among nations.

The address contained many passages interpreted as a condemnation of Communism and the post-war policies by Soviet Russia. He did not mention either by name.

The Pope is reported gradually recovering from the slight cold which has kept him to his rooms since Sunday and prevented him from celebrating Christmas Eve Mass. He celebrated Christmas Mass in his private chapel, with a few intimates attending.

Private audiences still are suspended, but the Pope has been receiving his close associates daily. The pontiff probably will be able to receive the diplomatic corps accredited to the Holy See for the traditional New Year's greetings.

3 Yugoslav Priests Jailed As Spies

DEC 1947

Belgrade, Yugoslavia, Dec. 26 (AP)—A Yugoslav court at Ljubljana has sentenced three Roman Catholic priests and a retired financial clerk to prison terms ranging from eighteen months to six years at forced labor on charges of espionage.

This raised to fifteen the number of priests sentenced on the charge within a single week by Yugoslav courts.

The court charged the three priests and the clerk with sending to "Information Center No. 101" in Austria false reports on the political and economic situation inside Yugoslavia.

Former Prelate Sentenced

They also were charged with receiving "monarcho-Fascist propaganda" from Gregor Rozman, former Catholic bishop of Ljubljana, who has been sentenced in absentia to eighteen months in prison. He is reported to be in the British zone of Austria.

The priests sentenced in the latest trial are Stalislav Lenic, six years; Josip Shiments, two years and Matije Chontala, five years.

BELGRADE PRESSES ROME

Demands Delivery of 2 Italian Officials as War Criminals

BELGRADE, Yugoslavia, Dec. 26 (AP)—Yugoslavia has demanded that Italy surrender two Italian officials, Interior Under-Secretary Achille Marazza and Gen. Taddeo Orlando, Secretary General of the War Ministry, for trial as war criminals, the Foreign Office announced today.

A spokesman said that the request had been forwarded through the Yugoslav legation in Rome on Dec. 18 and that no reply had been received.

"The fact that prominent war criminals hold such high positions in the Italian state apparatus shows that the request for punishing war criminals is not only a measure of justice, but that it is absolutely necessary for the establishment of good relations between Yugoslavia and Italy," the spokesman said.

SPECULATORS TO DIE

Belgrade, Dec. 26 (A. P.).—A regional court at Susak yesterday sentenced three merchants to be shot for speculation. They were accused of selling goods to Government-owned stores for a "terrible commission" and high personal profit. Their property was ordered confiscated.

Evidence showed that one man was doomed for selling food at a 1 per cent commission, which totaled about $1,000. Another earned $580. The third had been middleman in the sale of twenty carloads of apples.

Bulgaria Nationalizes Banks

Sofia, Bulgaria, Dec. 26 (AP)—Parliament tonight approved nationalization of the banks. The new law provides for only two state banks in the future—the Bulgaria National Bank and the Bulgarian Investment Bank.

30.24- 14477

Czechs Halt All Sales Of Textiles Until Jan. 6

PRAGUE, Dec. 26 (AP).—The domestic sale of textiles in Czechoslovakia has been halted by the Ministries of Internal Trade and Industry until Jan. 6, when a nation-wide inventory will have been completed in the mills to combat the black market.

The order, announced Christmas Eve by the Communist press, came after most merchants were sold out of all stocks as a result of holiday buying. It was directed chiefly at manufacturers and large wholesalers.

The order was issued by Communist Alexei Cepicka, new Minister of Internal Trade, after more than 10,000 yards of cloth, including pre-war British woolens, were found in one wholesale shop and a similar amount in another, despite general complaints of a shortage of textiles. Black market woolens are sold at up to $40 a yard here.

HUNGARY DENIES SOVIET TROOP BID

Denounces Reports Of Request As 'Gross Lie'

DEC — 1947

BY DANIEL DE LUCE

Budapest, Dec. 26 (AP)—The Hungarian Foreign Ministry denounced as "a gross lie" tonight what it said was an assertion by the Associated Press that Soviet troops were still in Hungary at the invitation of the Hungarian Government.

An Associated Press dispatch, summarizing an eyewitness survey of Russian garrisons in western Hungary, had reported their troop strength at 25,000 and quoted Hungarians in provincial towns occupied by the Soviet army as saying they had been told by Russians the troops were remaining an additional three months by request of the Government.

Delay Never Explained

The Government, as the dispatch pointed out, never has officially explained the continued presence of strong Russian tactical forces beyond the peace treaty deadline of December 15, when these forces were to have been reduced to lines of communications units.

The Foreign Ministry statement condemned the entire Associated Press dispatch as "unfounded and malevolent" but did not give any figure for Russian troop strength or explain how Russian tanks and fighter planes which still remain here might be used to operate communications to the Soviet occupation zone of Austria.

This correspondent, a successor to Jack Guinn, AP correspondent who was expelled from Hungary November 3 on 24 hours' notice, was accused by the Foreign Ministry of "abusing the hospitality rendered to him by Hungarian democracy" because he filed the dispatch.

No Prior Censorship

The dispatch was transmitted to London by Hungarian central post office without prior censorship. This correspondent, when questioned today by a Foreign Ministry spokesman, supplied the latter with the full text before the official statement was issued.

The survey of Russian garrisons—similar to factual reports by the Associated Press on American troop garrisons in Italy, before their withdrawal, and those still in Germany and Austria—was made by automobile without hindrance by the Hungarian police.

Frequent checks, however, were made by Russian sentries at roadblocks near Soviet airports, tank and artillery concentrations.

Would Rest On Denial

It could not be confirmed whether the question of expulsion of this correspondent was raised today among Hungarian Cabinet ministers.

In lieu of any official notification, however, this correspondent assumed that the Foreign Ministry, now temporarily headed by Matyas Rakosi, Communist Deputy Premier, during the vacation of Erik Molnar, Communist Minister, would rest upon its sharply worded denial.

The Associated Press dispatch emphasized that the peace treaty involved no definite Russian commitment regarding the strength or composition of line of communication troops.

The Foreign Office statement follows textually:

"The competent authorities stated:

"The American news agency Associated Press publishes an article from its correspondent in Hungary about Soviet troops still staying in this country are 'invited by the Hungarian Government.'

Unfounded And Malevolent

"This statement is a gross lie. It is well known that the Soviet Union can keep troops according to the Paris peace treaty while Austria is occupied. This peace treaty was signed and ratified by the United States and Great Britain, too. The AP statement is unfounded and malevolent and is only suitable to present the Hungarian Government in such colors as if it could maintain itself only with the help of Soviet troops staying here.

"This article is part of the libel campaign against Hungary in which the Associated Press correspondent participates, too, abusing the hospitality rendered to him by Hungarian democracy.

"Competent Hungarian circles not only deny emphatically but refute the article with indignation."

Patient on Leave Kills Ambassador

Stockholm, Dec. 26 (A. P.).—The insane balloon vendor who police say confessed murdering Italian minister to Sweden Alberto Bellardi Ricci with a pair of scissors yesterday, was on his first leave from an asylum in seven years, Dr. Goldkuhl of the Lanbergo Mental Home said today. The vendor, Giuseppe Capocci, who was being treated for dementia praecox, was said to have "improved considerably" recently and therefore was given a few hours of leave for Christmas.

Police Commissioner A. Ljungdahl said Capocci readily confessed after being questioned, and expressed satisfaction over his deed. Capocci had entered the ministry villa under the pretext of wanting to demonstrate an invention—a pair of scissors which unscrewed. Ricci, who only recently had been appointed Italian ambassador to Chile, planned to leave Sweden in a few days with his two sons to join his wife in Italy before going to his new post.

Russ Sentences Heavy

Moscow, Dec. 26 (AP) — Soviet newspapers said today heavy sentences have been meted to several persons who speculated or cheated on the recent ruble revaluation.

Trud said a Rostov storekeeper got seven years for buying a large quantity of cigarettes with old rubles and predating the transactions on his books.

Two speculators in cigarettes in Moscow received ten years each, *Bolshevik* said. A cashier in a champagne factory who attempted to buy a large quantity of wine is awaiting trial.

'Pravda' Takes Iran to Task on New Premier

DEC — 1947

Sees Hakimi's Nomination Continuing 'Hostile Policy Toward Soviet Union'

MOSCOW, Dec. 26 (AP).—The Communist party organ "Pravda" said in a dispatch from Iran today that some Iranian circles interpret Shah Mohammed-Riza Pahlevi's appointment of Dr. Ibrahim Hakimi to the Premiership as a move to "continue a hostile policy toward the Soviet Union."

The dispatch asserted that the "treacherous violation of the Soviet-Iranian agreement of April 4, 1946, by the Iranian government on the formation of an oil company, and the worsening of Soviet-Iranian relations caused by this, has created sharp dissatisfaction of wide circles of the Iranian public."

"Anglo-American circles in Tehran," it continued, "also showed considerable action behind the scenes in endeavoring to have their effect on influential circles within the Majlis (Parliament) and on the Shah.

"As a result of this, 'Pravda' continued, "on Dec. 22 the Shah authorized the well known Hakimi, known for his hostility towards the U. S. S. R., which revealed his close contacts with Anglo-American circles, to form a government.

"It is understandable that the Shah's appointment of Hakimi has created protests in wide circles of the Iranian public who see in the appointment a desire of ruling circles to continue a hostile policy toward the Soviet Union."

[Dr. Hakimi was appointed following the resignation of Ahmad Qavam, who failed to win a parliamentary confidence vote Dec. 10.]

French War Orphans See Santa.

Algiers, Dec. 26 (A. P.).—Lieut. James R. Sterlings of Portland, Maine, played Santa Claus at a Christmas party for 100 French war orphans yesterday. The party was given by children of the personnel of the American Graves Registration Command. A committee headed by Mrs. Earl B. Wadsworth of Washington, and Mrs. James F. Smith of Baltimore, arranged the program.

JEWISH REPRISAL SEEN IN NEW RAID

DEC — 1947 (N)

Silwan Village Attack Tops Off Day In Which 22 More Die

E. CURTIS

Jerusalem, Dec. 26 (AP)—Jewish armed forces attacked Silwan village just southeast of Jerusalem, tonight by moonlight, supposedly to avenge an Arab raid last week on a Mount of Olives funeral procession.

The British Army said casualties were not known. Police sources said they were "heavy and mostly Arab." Government hospital admitted some wounded patients but would not say how many.

The sound of tommygun fire and grenade explosions echoed over Jerusalem for two hours. Police sent flares soaring over the troubled area.

The Silwan raid topped off a day in which 22 persons died by violence in the Holy Land, seventeen of them Jews shot by snipers.

Called Arab Desperado Hideout

The Jewish victims included a prominent official of the Jewish Agency, a 3-year-old girl and a 70-year-old woman.

Three Arabs and two British civilians also were killed. The unofficial death toll grew to 369 in Palestine and 490 in the entire Middle East for the period since the United Nations Assembly voted November 29 to partition the Holy Land.

Silwan is on the slope of a hill facing the old walled city of Jerusalem, and overlooks the historic Kidron Valley, through which Roman legions moved to scale the walls and lay waste to Jerusalem in 70 A.D.

Jews have called the village an Arab desperado hideout. Police have said that in the last month snipers in Silwan killed three Jews with "apparent telescopic shooting."

Dozen Explosions Heard

Jewish sources said last week's Mount of Olives attack was launched from Silwan. Tonight's raid was believed in reprisal for that attack.

Police sources said they thought the Jews had moved up to the assault by carrying Bren guns and grenades through Jerusalem's fashionable Jewish quarter of Talpioth, over the "hill of evil counsel" and into the valley below Government House, which faces Silwan.

Residents of the old city reported by telephone they had heard about a dozen explosions in the village. Ambulances were rushed there from Jerusalem.

Grenade And Rifle Attack

Hagana, the Jewish defense army, laid the increase in snipers' activities to the arrival in Palestine of 200 Syrian-trained volunteers led by five former German officers. The bulk of the attackers' fire was directed against motor convoys.

Two Jews were killed tonight in a sniping duel in Haifa, one of them a woman peddler with milk cans. Earlier, two other Jews were found shot to death in the village of Holon just south of Jaffa.

An 18-year-old Arab was wounded mortally in a grenade and rifle attack on the village of Beit Safara. An Arab watchman was killed by a land-mine explosion in an orange grove near the Lydda village airport.

Student Meets Death

In Jerusalem, nine Jews were wounded when a bus in the Romena quarter was attacked with rifle fire and grenades, and a foot-square homemade bomb, detonated by a police bomb-disposal squad, destroyed a Jewish-owned food store.

Snipers hidden on the top of rocky hills near Jerusalem along the road to Tel Aviv killed Hans Beith, acting director of the Jewish youth organization Aliyah which supervises the bringing of refugee children into Palestine.

Beith was in a motor convoy A

Hebrew University student and a Jewish workman in the same convoy also met death. Beith was the assistant of the late Henrietta Szold, American benefactress of Zionism.

Mrs. Golda Meyerson, acting head of the Jewish Agency's political department, and Isaac Gruenbaum, another agency official, were in the convoy but escaped injury.

At Imara in southern Palestine Arabs attacked 25 armed Jews and killed one. The body of an unidentified Jew with four bullet wounds in his head was found in the Arab quarter of Jaffa.

Private informants said Arabs ambushed a Jewish bus between Jerusalem and Hartruf and killed four Jews. Seven were wounded.

Two British civilians were found shot to death and three Jews and an Arab were reported killed in a snipers' battle that raged through the port city of Haifa. One of the Britons was identified as Christopher William Thornton, 41, an engineer for the Iraq Petroleum Company.

Prominent Athlete Slain

Stray bullets during a Hagana attack on an Arab house suspected of being a snipers' hangout killed a 70-year-old woman, who was standing on a balcony.

Elo Katz, prominent Jewish athlete, who had been selected to coach the first Palestine Jewish team in the next Olympic games, was shot dead in the Al Magazi camp near Gaza in southern Palestine.

The Jewish child was killed by a snipers' bullet from the Tel Aviv-Jaffa borderland area. The mother found the child dead in her nursery.

Police continued to probe last night's killing of two British soldiers in a Tel Aviv café. Eyewitnesses said the shots came from an armored car, giving rise to speculation that Arabs in a stolen armored vehicle might have been the assailants. Police sources said they believed the Stern Gang, Jewish extremist organization, was responsible.

A report that Irgun Zvai Leumi, an extremist group bitterly anti-British, would sign a working agreement soon with Hagana was denied by a Jewish Agency spokesman.

A British sergeant was wounded and his Sten gun stolen while patrolling the bazaar area of Haifa.

A Jewish news vendors' shop in the British security zone of Jerusalem was destroyed by an explosion. It was only 100 yards from the district police station.

In Port Said, Egypt, a bomb damaged a Jewish-owned merchant vessel.

Areport from Amman said the trans-Jordan government would resign tomorrow and Premier Samir Pasha Rifai would form a new one.

Jewish Agency Official Slain

DEC 1947

E. DAVIDSON

Jerusalem, Dec. 26 (AP)—A Jewish Agency official and twelve other Jews died today with one Arab and two British civilians in the Holy Land's sniping war.

Snipers concealed atop rocky hills near Jerusalem, along the road to Tel Aviv, killed Hans Beith, acting director of the Jewish Youth Aliyah. Two more Jews were killed and six wounded in the attack on a convoy.

An Arab ambush of a Jewish bus killed four and wounded seven. Snipers' bullets also killed a 3-year-old Jewish girl in her crib and a woman, 70.

The other deaths, which occurred at several points, increased to 363 the total of Palestine fatalities since partition was approved by the United Nations.

Many Bullets Hit Auto

Beith was an organizer of immigration for Jewish children. He formerly was an aide to the late American philanthropist, Henrietta Szold.

An agency source said the car in which Beith was killed and another Jew was wounded also carried Mrs. Golda Meyerson, acting head of the Jewish Agency's political department, and Isaac Gruenbaum, an agency member.

The car was hit by many bullets, but Mrs. Myerson and Gruenbaum escaped injury.

The convoy was en route from Tel Aviv to Jerusalem. A Jewish Agency source said it was attacked twice—once at Babel Quad, about half way between Jerusalem and Tel Aviv, and again at Jerusalem's outskirts.

Woman On Balcony Slain

The attack on the second convoy, in which four Jews were killed, was made inside Jerusalem.

The child, victim of the border strife in the Tel Aviv-Jaffa area, was found by her mother this morning.

The 70-year-old woman was slain by a sniper as she stood on a balcony during an attack in Haifa by Hagana, the Jewish militia. The house under attack was believed sheltering Arab riflemen.

Two British civilians were found shot to death in the area of Hadar Carmel in Haifa. Both were believed to have fallen in the fighting between the Jewish and Arab snipers. One was identified as Christopher William Thornton, 41, Diesel engineer for the Iraq Petroleum Company.

Schoolgirl Wounded

Two other Jews and one Arab died in Hagana's attack and one Arab was wounded. Five other Jews were wounded in Haifa, one an 8-year-old girl on her way to school.

Reliable but unofficial reports said ten Arabs and two Jews were killed in the running Haifa battle yesterday.

At a naval torpedo depot near Acre, several Arabs penetrated the guard room, but were driven off and fled in a taxi. Police said they did not know whether the Arabs had succeeded in seizing any arms.

Thirty-one Arabs, twelve Jews, three British constables and two soldiers were wounded in the Christmas Day encounters, during which Hagana fighters used long-range weapons and British troops manned rooftops in an attempt to quell the violence.

Olympic Winner Slain

One of those killed was a 35-year-old woman, who was struck by a stray bullet. Another was a settler who had arrived in the city on a truck bringing dairy products.

In the all-Jewish city of Tel Aviv, two British soldiers were reported to have been killed last night and three wounded by gunfire.

In Al Magazi Camp, near Gaza, in southern Palestine, Elo (Eliyahu) Katz, 1928 Olympic winner of the 500-meter race, was shot to death by Arabs. Katz had been chosen to coach the Holy Land's first Jewish team, to represent Palestine, in the next Olympics.

It was announced officially that a Jewish bus convoy was attacked near Rosh Pina. Two Jews were wounded. Another was wounded at Bat Yam, south of Jaffa, in a continuing sniping duel between that village and nearby Holon.

Salama Casualty Report

Hagana, self-styled Jewish defense army, claimed several casualties had been inflicted upon Arab fighters from Salama during the predawn shooting which resulted in the death of the Jewish infant.

Police said an Arab band hijacked another trainload of grain and flour near Haifa just before midnight. Eleven freight cars were ransacked by robbers who stopped the train by firing at the engineer.

It was the fifth train robbery in the past week by Arab bands, apparently engaged in provisioning guerrilla troops.

Biggest Flareup Ever In Near East Predicted

London, Dec. 26 (AP)—A Palestine Arab just back from the Middle East said today, "Palestine is heading for the biggest and bloodiest flareup ever known in the Near East."

Izzedeen Shawa Bey, who described himself as head of the Palestine Arab Political Mission here, said methodical military preparations were being made in Arab states to prevent creation of a Jewish nation in the Holy Land.

"In every Arab town and village, military recruiting is in full swing," he asserted. "Men between the ages of 18 and 45 are being given physical examinations for service in the forces. Women and children are helping to collect money to pay for hospital and first-aid units. Large stocks of food and clothing are being accumulated."

HINDUS' EXPULSION ASKED

India Negotiates Evacuation of 70,000 Bahawalpur Non-Moslems

NEW DELHI, Dec. 26 (AP)—A Government spokesman said tonight that India was negotiating with Pakistan for the early evacuation to India of 70,000 Hindus and Sikhs in Bahawalpur State.

"Alarming reports have been received of murders and conversions of non-Moslems, who form a microscopic per cent of Bahawalpur State," he said. The state affiliated with Pakistan.

Reds Take Town, Hammer Other Mukden Areas

DEC 1947

SUNDAY

Peiping, Dec. 26 (AP)—Chinese Communist forces continued to hammer at bastions guarding the approaches to Mukden today, capturing the rail town of Paichipao, 40 miles to the west.

With the situation steadily worsening for the Government defenders, reinforcements from both north and south were being rushed toward the embattled city, which is Chiang Kai-shek's northern headquarters.

Headquarters, meantime, announced a news censorship.

May Evacuate Nationals

Several foreign consulates, alarmed at the impending collapse of Mukden, tentatively planned to evacuate their nationals. Evacuation offered extreme difficulties, since commercial airlines no longer connect with the city and all overland routes are cut by the besieging forces.

Following the fall of Paichipao were reports that Red attacks had been intensified around the Mukden defense arc, with heavy fighting at Changwu, 60 miles northwest; Faku, 45 miles north, and Hsinlitun, 70 miles west. The loss of all three places was considered likely.

The Peiping-Shanhaikuan railroad and operable sections of the Mukden line north of the Great Wall were jammed with National reinforcements.

Government strategists considered that the Reds might attempt only to tighten their circle and then to starve Mukden into submission in preference to trying an expensive frontal attack.

Chiang Battles Inflation

National commanders emphasized the urgent need for both reinforcements and supplies.

In an attempt to arrest the steadily mounting food prices, Chiang announced that henceforth foodstuffs for his North China armies would be purchased in Central and South China, where supplies are more plentiful.

The Government was confronted with fresh dangers in Hopeh province, where some 50,000 Communist troops were reported moving against the southern sector of the Peiping-Paoting railway.

National reports also said that 10,000 Reds were in the vicinity of the coal-mining center of Mentoukou, less than 20 miles west of Peiping.

CHINA HALTS MUKDEN NEWS

DEC 1947

Withdrawal From Manchurian Front Is Predicted

H. R. MILLS

Nanking, China, Dec. 26 (AP)—The Chinese Government dropped a cenorship curtain on the fighting around Mukden today amid predictions that Nationalist forces might have to make at least a partial withdrawal from the Communist-threatened Manchurian front.

Mukden, Manchuria's largest city, was last reported effectively surrounded as the Communists increased their pressure on the outer defenses. Communication with China proper was broken except for air and radio.

Two Possible Moves

Strategists in Nanking, viewing the persistent vigor of the Communists' midwinter offensive, said the Government's position in Manchuria was "anything but good" and predicted that the cenorship was a prelude to two possible moves:

1. Allowing Changchun, the Manchurian capital, to fall to the Communists without a fight while the Government garrison retired 175 miles southwest to Mukden.

2. Abandonment of the entire Government wedge in Manchuria, including Mukden, because of the staggering problem of supplying an army and a population of nearly 2,000,000 entirely by air.

The first possibility—withdrawal from the Changchun salient—was considered the more likely by informed quarters which said a substantial portion of the original Changchun forces already had shifted southward before the current Communist campaign began.

The Government censorship, applying only in Mukden, was announced under martial law governing the city. The Ministry of Information said "extension to other points in the northeast (Manchuria) will be considered should the need arise."

Latest pro-Government press dispatches this morning said there was heavy fighting for Changwu, 60 miles northwest of Mukden; for Faku, 45 miles north, and for Hsinlintun, 70 miles west, with fall of all probable. Subsequent editions were void of Manchurian developments.

Reinforcements Arrive

The Government's Central News Agency said morale of Manchurian troops was heightened by word that substantial reinforcements had arrived from China proper, but there were no supporting details.

Thus far there was no indication that the Communists planned any direct assault on Mukden. They still were concentrating on smashing communications and power sources and harrying the Government defenses with raids by groups of twenty to several thousand men.

Informed sources said that Generalissimo Chiang Kai-shek had

DEC 1947 30.24-14479

been warned his air force was in danger of collapse from the overwork of supplying the isolated Manchurian centers, and that such a result would affect the isolated Manchurian centers and the military situation throughout China.

Attack On Railway

The Communists also were active in China proper. Nationalist accounts from Peiping said 50,000 Communists were on the move against the Peiping-Paoting railway, a north-south artery which has been a favorite target for more than two years.

A force of 10,000 Communists was said to be in the vicinity of Mentoukou, a coal mining center 20 miles west of Peiping. In central China the Government reported progress in clearing Communists from the railway north of Hankow.

TOJO TAKES STAND IN TOKYO WAR TRIAL (N)

But Tribunal Adiourns Just After Defense Begins

F. WHITE & R. BRINES

Tokyo, Dec. 26 (AP)—Hideki Tojo, wartime Premier of Japan, went on the witness stand at his war-crimes trial with confident smile today, but the eleven-nation tribunal adjourned for the week end 40 minutes later.

Tojo's American attorney, George Blewett, of Philadelphia, has read only 20 pages of a 245-page, 65,000-word prepared statement in which the man who engineered the Pearl Harbor assault seeks to convince the world that he led Japan in a war of self-defense.

As he approached the stand for this climactic performance after nineteen months of trial with 24 other defendants, the bald, brown little man flashed a grin at his companions in the prisoners' dock.

200 Japanese Watch

He smiled slightly as he firmly planted his "chop"—signature seal—on the oath as a witness.

The Japanese section in the balcony was filled by about 200 persons.

The other defendants acted as they have throughout the trial. Former Marquis Koichi Kido feigned sleep, as did Teiichi Suzuki and Naoki Hoshino, two of Tojo's key war planners.

Shigenori Togo and Namoru Shigemitus, once his Foreign Ministers, paid close attention, as always. Shigemitsu, the man who signed the unconditional surrender aboard the battleship Missouri, took copious notes.

Outlines His Career

At the outset of his statement, Tojo briefly outlined his military and political career, calmly admitted his "political and administrative responsibility," but denied any criminal responsibility.

Blewett estimated it would take him slightly more than two full days to read the Tojo affidavit, which reiterates the self-defense plea at length, apologizes to the Emperor for having lost the war, and asserts finally that "never at any time did I ever conceive that the waging of this war would or could be challenged by the victors as an international crime."

After that, John W. Fihelley, associate prosecutor, of Washington, D.C., is to start the crossexamination, expected to last a week to ten days.

Japs War Laid To Self-Defense (D)

DEC 1947

F. L. WHITE

Tokyo, Dec. 26 (AP)—Hideki Tojo, Premier of Japan at the time of Pearl Harbor, took the witness stand at the War Crimes trial today and defiantly declared, ni a 65,000-word deposition, that the war was fought in self-defense.

The voluminous statement, read by his Japanese attorney, Ilchiro Kiyose, asserted that "our decision to make war was made only as a last resort. A war of self-existence was our only alternative. We staked the fate of our country on that decision—and lost."

No Thought Of Crime

The 63-year-old defendant took full responsibility, as Premier, for Japan's defeat, but he added:

"Never at any time did I ever conceive that the waging of this war would or could be challenged by the victors as an international crime."

Tojo's appearance on the stand capped nineteen months of rather dull testimony and documentary evidence seeking to prove that 25 Japanese political and military leaders conspired to wage aggressive warfare as early as 1929.

His statement will require at least two days of steady reading. Then will come prosecution cross-examination—probably among the most searching in the history of jurisprudence.

Regarded U.S. "Unfriendly"

Tojo professed to be unable to understand the United States position from beginning to end. He regarded United States policy in the Far East as evidence of an increasing "unfriendly" attitude, and viewed American military preparations as a direct challenge to Japan.

As for the surprise attack on Pearl Harbor, Tojo's deposition maintained he trusted fellow defendant Shigenori Togo, then Foreign Minister, to deliver adequate advance notice.

"It was a matter of great regret to the Japanese Government upon learning subsequently that the actual delivery of the note was delayed," he added.

Approved Axis Pact

Tojo told his story in chronological order. Some of the high lights:

He denied he had precipitated the "China Incident" in 1937 with a telegarm from Manchuria saying the rear of his Kwantung Army in Manchuria should be secured by a blow at Chiang Kai-shek's regime. He denounced United States-British aid to Chiang, saying it was the primary reason why Japan was unable to settle the incident.

Tojo admitted he approved the Tripartite Pact with Germany and Italy because "It is my sincere belief the purpose of the treaty was to improve the international position of Japan." He denied there was any intention of dividing up the world with Hitler and Mussolini, or that Japan co-ordinated its military policies with its Axis allies.

Hits U.S. Meddling

As for "expansion to the south," which precipitated the Pacific crisis in 1941, Tojo declared Japan's original intention in stationing troops in French Indo-China was to cut off supplies to Chiang both through Indo-China and Thailand.

He contended the United States and Britain meddled in both Thailand and Indo-China affairs and prevented Japan from getting needed supplies. Then "deGaullists" stirred up trouble, forcing Japan to send in more troops.

Upheld Soviet Neutrality

Tojo said Japan faithfully lived up to its neutrality pact with Russia and even entertained hopes of getting the Soviets into the Tripartite Pact but was frustrated by Hitler's hatred of the Communists.

The former premier insisted that since the early 1930's Japan had tried "to save East Asia from the danger of Bolshevization by the co-operation of countries in East Asia and at the same time to make herself a barrier against world Bolshevization."

"The present condition of the world two years after the end of World War II eloquently tells how important were these barriers for the peace of the world," Tojo declared.

31 Nations Buy Jap Cotton Textile Output

Tokyo, Dec. 26 (AP)—Japan has exported 42,096,129 linear yards of newly produced cotton textiles and 1,824,771 yards of textiles from the national stock pile through November this year, Allied headquarters reported today.

The shipments went to 31 nations under the United States Commercial Company contract with the Army Department to handle the export of 522,879,388 linear yards of Japanese textiles.

During November, the Netherlands East Indies was the heaviest recipient of new cotton production, taking 23,544,237 linear yards.

Through November, the total value of exports handled by the United States Commercial Company, including fabrics, yarn and singlets, amounted to approximately $109,929,000.

Assails Trade Talks Action

MANILA, Dec. 26 (AP).—The Filipino-owned "Manila Times," largest newspaper in the Philippines, declared Thursday that Latin America "the crutch on which the United States is leaning for security in World War III, looks pretty much like a broken reed." The comment was contained in an editorial attacking Latin-American actions at the International Trade Organization Conference in Havana.

Argentine Citizenship Upheld For Communist

Buenos Aires, Dec. 26 (AP)—The Argentine Supreme Court ruled today that membership in the Communist party is not sufficient reason for canceling naturalized citizenship.

The court upheld a decision rejecting an effort by a Government prior to that of President Juan Perón to take away the citizenship papers of Elimio Troise, a lawyer and prominent Communist who immigrated from Italy and was naturalized in 1925.

The party was illegal in Argentina until just before the February election last year in which Perón was elected. The court, reorganized recently by the impeachment of three justices and the resignation of another, said the suit was not based on concrete evidence that Troise sought to undermine the republic.

Errors In Negotiations Laid To U.S. In Panama

Panama, Panama, Dec. 26 (AP)—Ricardo J. Alfaro, former Foreign Minister, said today the State Department of the United States had committed certain "fundamental errors" in negotiations for the defense-base agreement that the Panama National Assembly rejected last Monday.

Alfaro, who quit the Cabinet to protest the signing of the lease agreement, declared in an interview, however, that United States troop withdrawal from Panama bases, now under way, was a conclusion of the matter "honorable for Panama and honorable for the United States."

Had the United States decided to stay on the bases despite rejection of the agreement, he said, Panama would have termed this illegal and "the world would have seen that the action was nothing but an act of force."

Powers And Privileges

He said the State Department's "errors" were three:

1. Failure to express categorically its position on expiration of a 1942 defense-base agreement.

2. "Insistence on introducing clauses, phrases and words which tended to assert powers and privileges of the United States and diminish Panama's sovereignty."

3. A tendency to make the agreement on the bases—intended for defense of the Panama Canal—a permanent instrument.

On the first point, Alfaro said the United States interpretation of the expiration clause of the 1942 agreement, which was in conflict with Panama's view, had not been set forth until eleven months after Panama's position had been announced.

Year After Jap Surrender

Panama held that the agreement ran out a year after Japan's formal surrender. The United States contended that it was good until a year after signing of a peace treaty.

On the second point, the former Foreign Minister declared:

"A Panamanian resents intensely any action, any language, any fact which in reality or appearance tends to hurt national pride, superexcited by a continuous struggle to occupy a seat with dignity among free peoples.

"The agreement should have been on the basis of co-operation, not concession." add

Hines Retirement

DEC 1947

Washington, Dec. 26 (AP)—Brig. Gen. Frank T. Hines, Ambassador to Panama, was reported headed for early retirement today in the wake of Panama's refusal to lease fourteen defense bases to the United States.

Responsible diplomatic officials said that his resignation already has been submitted to President Truman and that a veteran career diplomat, Monnett B. Davis, is under consideration as his successor.

Hines signed the lease agreement which the Panama National Assembly later rejected unanimously, and his departure thus might facilitate new negotiations. The State Department, Robert A. Lovett, Under Secretary, said this week, is ready to resume discussions with the Panama Republic even though United States troops already are quitting the bases occupied under a wartime agreement.

Submitted Weeks Ago

Emphasizing that the Ambassador is not being made a scapegoat for the Assembly's action, officials said privately that his resignation was submitted weeks ago at a time when the State Department expected ratification of the lease deal.

Hines, named Ambassador by Mr. Truman after fifteen years as administrator of the Veterans Administration, is en route back to his post by ship after a hurried trip to the Captial. He conferred with Mr. Truman on Wednesday, and a few hours later the State Department announced the order for the troops' withdrawal.

Marshall Policy

Appointment of Davis would be in line with the policy of Gen. George C. Marshall, Secretary of State, of favoring experienced career diplomats for key posts. Wartime minister to Denmark for eight months following V-E day, he recently has been consul general at Shanghai and counselor of embassy at Nanking with the rank of minister.

A native of Greencastle, Ind., he is 54, and his diplomatic experience of some 27 years includes service as chief of the State Department's Office of Foreign Service.

TRUMAN TO ACT ON INFLATION BILL NEXT WEEK

DEC 1947

President Expected To Approve GOP Measure To Get Some Controls

Washington, Dec. 26 (AP)—The President will act on the Republican anti-inflation bill early next week, it was announced today, even as two GOP senators split on the best way to curb living costs.

The White House said that President Truman probably will act on the legislation Monday, issuing "an adequate statement" on it at the same time.

In the meantime, Senator Wherry (R., Neb.) called for governmental economy as an anti-inflation measure and said the President needed no new control powers. This conflicted with the stand of Senator Morse (R., Ore.), who called for a big "economic gun" to avert a threat of an "economic bust."

Truman Expected To Sign

Mr. Truman has been represented as likely to sign the GOP bill into law on the grounds that it contains at least some of his requests, such as export and transportation controls.

He has also been described, however, as critical of its reliance on voluntary industry agreements to divide up scarce materials and facilities in order to combat inflation. The President asked for—and failed to get—power to impose price-wage-rationing controls where he deemed them needed.

Senator Wherry, the No. 2 Republican floor leader in the Senate, said that the upward spiral in prices will turn down if:

1. The Administration and Congress join forces "in a statesmanlike slash in the huge cost of the Federal Government."

2. Congress uses "some common sense upon these foreign commitments."

Says Few Voters Realize Cost

Wherry said "all this talk about price controls and rationing completely misses the primary cause of inflation. They aim at treatment of the symptom rather than the disease."

"The President and his Administration now have adequate controls for stopping inflation but it's going to take some guts to cut down Government costs. It's never popular because there always are some voters who oppose reductions.

"Few voters realize that the cost of the Federal Government today is larger than the total food bill for all of our people. We now have a dollar worth less than 50 cents. The only way to stop inflation is at its source—the Federal Government which now costs four times as much as it used to."

Because of the death of his father, Wherry was away from the Senate when Senator Taft (R., Ohio) won last-minute approval of the modified control bill now on President Truman's desk.

One Of Three GOP Opponents

Morse was one of three Republican senators to vote against the GOP anti-inflation bill. Senators Wilson, of Iowa, and Langer, of North Dakota, were the others.

Morse said in an interview:

"Many Republican senators are fearful that inflation cannot be checked except by an economic bust, unless their party comes forward with a program that gives the Government an economic gun behind the door" for use as may be needed.

"The Republican party will fail to fulfill its greatest opportunity for service to the American people if it does not recognize that it is the duty of a free government to set up minimum compulsory controls to stop the unreasonable drive for profits, both by individuals and big business."

He predicted that many of his colleagues will be won over to a stronger control program after they have talked with voters at home during the holidays. Congress will return January 6.

PRODUCTION RISE IN 1948 IS FORECAST

DEC 1947

'Distinct Possibility' of Inflation Slowdown Is Noted By Nourse

Washington, Dec. 26 (AP)—Production is expected to rise to new peaks in 1948 and there is "a distinct possibility" that inflation will slow down, Edwin G. Nourse, Federal economist, said today.

"We're not yet at a point where we can see that we're arriving at a stable level of prices," he added in an interview. "If there should be a short crop season, we'd really have something to worry about.

"But aside from the weather, I'm inclined to be optimistic."

Heads Truman Council

Nourse, formerly with the private Brookings Institution, is head of President Truman's Council of Economic Advisers. The council will provide much of the basis for Mr. Truman's economic message to Congress next month.

In putting weather—and its effect on crop yields—at the top of his list of major factors affecting the nation's economy, Nourse made two other points:

1. A new wave of strikes curtailing production, or a third round of sizable wage increases, could add to inflationary pressures.

2. Heavy exports could make more critical the scarcity of such products as steel and grain, thus adding also to inflation. The council which Dr. Nourse heads has advocated controls to guard against such a possibility.

Production Up In 1947

Nourse said that the nation's production rose in 1947, but he withheld figures pending release of Mr. Truman's economic report. However, the Commerce Department has issued figures to show that the "gross national product" probably has hit a record high rate of $235,000,000,000 a year, some fifteen per cent over the rate at last new year's. This is, of course, in part the result of higher prices.

As for jobs, the United States Employment Service has said that employment exceeded the 60,000,000 goal in 1947 and may go higher in 1948.

Nourse said that scarcity of steel, railway cars, etc., may prevent production from going ahead so fast as to build up to sudden letdowns, plant closings and layoffs.

A modest production gain from year to year is desirable, he said.

SOME SENATE GOP FOR TAX-CUT DELAY

Reported Favoring Waiting Until Truman Presents Budget

Washington, Dec. 26 (AP)—Senate Republicans were reported by one of their tax experts today as inclined to go a bit slow on any income-tax-cutting drive early next year.

This authority—who asked not to be quoted by name—said a number of GOP senators want to know:

1. How much foreign aid will cost.

2. How much Government costs can be slashed before they vote on and tax bill.

In the House, Knutson (R., Minn.), chairman of the tax-writing House and Means Committee, has introduced a $5,600,000,000 reduction bill. He has said he would try to push it to the top of the list for action shortly after Congress convenes.

Early Action Not Seen

Some Senators, however, say they see little chance for action on taxes until after congressional leaders have received President Truman's income-and-outgo estimates and have attempted to agree upon a "legislative budget" by February 15.

John W. Snyder, Secretary of the Treasury, today labeled "the figment of an active imagination" a report that the Treasury was about to recommend an increase in income tax exemptions and extension of the community property principle to all Federal income taxpayers.

He said: "The Treasury Department has reached no conclusions on recommendations to the President on tax matters."

Insurance Units Escape Tax

Nearly all life insurance companies will pay no 1947 Federal income taxes due to technicalities of a 1942 law, Secretary Snyder revealed today.

Snyder suggested that Congress direct "immediate" attention to changing the law. He expressed belief the life insurance companies would co-operate in making "fair and equitable changes.

The companies paid $34,462,000 in Federal income taxes in 1944, the latest year for which the Treasury said it could supply figures, but officials said that payments had been running around that since 1942.

The $34,462,000 taxes were paid on a net income of $1,157,272,000.

The law sets up a formula which determines automatically for each year the percentage of investment income from life insurance operations that the companies can deduct from taxes to maintain reserves for the benefit of policyholders.

For 1947 income, Synder said, the deduction works out as 100.66 per cent, which not only means complete tax exemption on income from life insurance reserve funds, but also a tax credit against income from accident and health insurance reserve funds.

"Under the law," said Snyder, "I have no alternative but to determine such a (deduction) figure. However, the unavoidable result is the effective removal of Federal income tax liability from life insurance companies."

The 100.66 per cent deduction arose from application of the formula to data furnished by life insurance companies on their 1946 income tax returns, the Treasury said.

In past years, the deduction has worked out as follows:

For 1946, 95.95 per cent; 1945, 95.39; 1944, 92.61; 1943, 91.98; and 1942, 93.

earlier this week that 71 local, state and Federal Government employés were among traders in wheat on the Chicago Board of Trade on September 17, 1947.

To Be Revealed Together

The names of these officials have not yet been disclosed.

They will be made public, the department said, at the time it gives out a list of all traders in wheat on the Chicago market on that date.

Two congressional committees have begun investigations of speculation in commodities. They are a special House investigating committee and the Senate Appropriations Committee.

The latter group has asked Anderson for names of traders. Anderson is making the lists public at the same time he sends them to the committee.

Takes Step To Learn If 'Insiders' Profit By Speculating

DEC 1947 (D)

Washington, Dec. 26 (AP)—Secretary of Agriculture Anderson today called upon brokerage firms to supply him with names of any Government employés or members of their immediate families, who, as customers, traded in future commodities between January 1, 1946, and December 15, 1947.

The request was made in connection with the department's efforts to determine whether any "Government insiders" have been speculating in grain and other commodities.

The request went to more than 600 brokerage firms registered under the Commodity Exchange Act.

Asked To Report By Jan. 3

The brokers were instructed to report by January 3, and to supply detailed information not later than January 10.

An aide to Anderson said the request applied to any employé of the United States Government, its agencies or commissions, or any person employed by any state or its subdivision, including local school boards.

The department's Commodity Exchange Administration reported

"Inside Job" Called Large

Representative Andresen (R., Minn.) said the House group, which he heads, has information which "strongly indicates" there has been speculation "on a fairly large scale" by persons with inside information on Government commodity purchasing plans.

Secretary Anderson said in a statement that his request to the brokers "constitutes another and additional measure directed to the purpose of determining the identity of any Government employés who may have been speculating in commodities."

Key Employes Quizzed

He added:

"The department of agriculture and various other Government agencies have already issued questionaires directing all key employés to file statements concerning any such trading which they may have had during the past two years."

30.24- 14481

STASSEN READY TO TALK

Says He Will Be 'Glad' to Aid Inquiry on Grain Deals

ST. PAUL, Minn., Dec. 26 (AP)—Harold E. Stassen, candidate for the Republican nomination for President, said today he would be "glad to appear before any Congressional committee at any time." Commenting on a suggestion that he be invited to appear before the House Committee investigating commodity speculation, he said no invitation had reached him yet.

Mr. Stassen, whose assertion that Government "insiders" have profited through speculation in commodities preceded the starting of investigations by Congressional committees, said he planned to follow through on his allegations "and do all I possibly can to bring down prices."

New Roster of Dealers on Grain Markets as Revealed by the U. S.

DEC 1947

By The Associated Press.

WASHINGTON, Dec. 26—The Secretary of Agriculture, Clinton P. Anderson, today sent to the Senate Appropriations Committee a list of traders holding a position in wheat futures in the Chicago Board of Trade on April 30, 1946. In the alphabetical list, the figures appearing opposite names and addresses represent combined long (L) and short (S) positions, in thousands of bushels, without distinction between speculative accounts and those known to the trade as "hedging"—transactions intended to protect merchants and millers from loss from price fluctuations:

A

Ablin, Jack, Chicago, 330 L; 415 S.
Acord, C. R., Kansas, Ill., 5 S.
Adair, A. G., Ft. Worth, Tex., 5 S.
Adair, Edgar H., Wichita, Kan., 30 S.
Adair Grain Co., Wichita, 55 S.
Adams, E. J., Marshall, Okla., 5 S.
Adams, Mrs. Nellie H., San Antonio, Tex., 1 S.
Aden, Vic, Omaha, Neb., 5 S.
Adwell, Wm. Virgil, San Angelo, Tex., 5 S.
Agens, Herbert M., East Orange, N. J., 3 S.
Alexander, J. C., Ft. Smith, Ark., 12 S.
Allen, James, Little Rock, Ark., 1 S.
Allyn, A. C., Chicago, 100 L.
Alster, N. J., Chicago, 5 S.
Andelin, Aubreyo, Idaho Falls, Ida., 281 L; 135 S.
Anderholm, F. J., Duluth, Minn., 5 S.
Anderson, Donald, Kirkland, Ill., 15 S.
Anderson, Mrs. Dorothy, Los Angeles, 4 L.
Anderson, Miss H. L., Wichita Falls, Tex., 30 S.
Andrews, Prentiss, Chicago, 10 S.
Angell, Mrs. Amelia, Chicago, 20 S.
Applegate, Robert, Wichita, 1 L; 2 S.
Armacost, John M., Campbellstown, O., 1 S.
Armstrong, H. E., Arimo, Ida., 5 L.
Arnold, O. C., Limestone, Tenn., 10 S.
Aries, Ed Charles City, Ia., 5 S.
Arvick, William, Minneapolis, Minn., 1 S.
Ashland City Mills, Ashland, O., 2 L.
Askew, Mrs. Amanda, Cincinnati, O., 1 S.
Atkinson, William T., Phoenix, Ariz., 2 L.
Atlantic Grain Co., Inc., New York City, 110 L; 110 S.
Austin, Leslie O., Salina, Kan., 5 S.
Ayers, Margaret, Wichita, 5 S.

B

Baber, Walter E., Milwaukee, 2 S.
Babst, A. B., Whiting, Kan., 1 L.
Bachman, Paul, Orange, Calif., 1 L; 1 S.
Backlund, Nils, Long Beach, N. Y., 5 S.
Baggat, J. E., Chicago, 32 L; 40 S.
Bailey, E. H., Chicago, 66 L; 30 S.
Bailey, John W., Clover, Va., 1 S.
Bain, Ray Robertson, Tex., 10 S.
Baird, J. T., Franklin, Ky., 10 S.
Baker, H. O., Miamisburg, O., 10 S.
Ballard, B., Chicago, 100 L; 100 S.
Baltz, Henry J., Indianapolis, 1 L; 2 S.
Bandholtz, F. J., Guthrie Center, Ia., 10 L; 10 S.
Bannister, Harry L., Fairview, Okla., 3 S.
Bara, Mrs. Agnes, Minneapolis, 1 L.
Barchausen, L. H., Chicago, 25 S.
Barnett, Blanche, C. B., New York City, 5 S.
Barth, Beryl J., New York City, 80 L.
Bartlett, Francis W. Jr., Kansas City, Mo., 10 L.
Basteda, D. L., Los Angeles, 10 S.
Bastedo, David L., Los Angeles, 5 S.
Bauerlein, John H., Burlington, Kan., 30 S.
Baxter, Bert, Rockford, Ill., 5 S.
Baxter, Bert, Rockford, Ill., 5 S.
Baxter, C. W., Burlington, Ia., 3 S.
Baysil, G. W., Omaha, 8 L; 1 S.
Bean, James W., Spencer, N. C., 1 S.
Behr, Mrs. Anne L., Newport, R. I., 45 L.
Behr, Vladimir, Newport, 10 L.
Behymer, Herbert E., Terre Hauts, Ind., 4 L; 4 S.
Benanti, Jos. C., Ft. Wayne, Ind., 10 S.
Bender, F. E., Mineral Wells, Tex., 5 S.
Bendickowskie & Borowiak, Omaha, 1 S.
Bennett, Rolla J., Wilson, N. C., 5 S.
Bennett, Rolla W., Wilson, N. C., 5 S.
Bennett, Watson, San Antonio, Tex, 15 L.
Bensley, John R., Chicago, 15 L.
Beringer, Geo., Chicago, 20 S.
Beschka, Joe, Wichita, 3 S.
Besler, Manfred, New York City, 50 L.
Bibb, J. D., Anniston, Ala., 2 S.
Biesecker, C. L., Fayettsville, Pa., 2 S.
Bigelow, Mr. E. and Mrs. E., Belmar, N. J., 1 L; 1 S.
Bilgerstein, Frank, Attica, Kan., 2 S.
Billgman, Frances, Oak Park, Ill., 190L; 190 S.
Bingham, John A., Wichita Falls, Tex., 50 S.
Bird, Fred, Wichita, Kan., 2 S.
Bishop, Charlie, Griswold, Ia., 3 S.
Bishop, Chas., Griswold, 16 S.
Bishop, Charlie, Griswold, 2 S.
Black, F. J., Quincy, Ill., 5 L.
Blanchard, Frank, Davenport, Ia., 5 S.
Blank, J. P. and Mrs. L. H., Berkeley, Calif., 1 S.
Blaser, Hilda, Enid, Okla, 2 L.
Blick, Dick, Galesburg, Ill., 10 L; 25 S.
Blum, Leon L., Coconut Grove, Fla., 3 S.
Blunk, Dr. S. M., Virden, Ill., 14 L.
Boepple, R. H. Covington, Okla., 1 S.
Boon, Lennon, Fredericktown, O., 13 S.
Bose, A., Kansas City, Mo., 1 S.
Bowden, Paul, Thomson, Ga., 15 L.
Bowdish, Jesse J., Spirit Lake, Ia., 1 S.
Bower, A. L., Boyetown, Pa., 5 S.
Bower, James C., Evansville, Ind., 10 S.
Boyd, John, Garden City, Kan., 10 L; 10 S.
Boyd, Linn A., Wichita Falls, Tex., 20 S.
Boyd, T. Kenneth, Chicago, 150 S.
Brackenridge, John A., Taylor, Tex., 7 L.
Brady, W. C., Grove Hill, Ala., 20 L; 12 S.
Branstool, Lewis F., Utica, O., 5 S.
Braun, Dr. Edward J., Cleveland, O., 1 L.
Brewer, C. F., Ft. Worth, Tex., 5 L.
Bridge, Don and Chas., Norfolk, Neb., 10 L.
Briggs, Ed., Rock Island, Ill., 2 S.
Brierly A. R., Wellington, Ill., 3 K.
Brockman, Anne M., Pulse, Okla., 5 S.
Brode, J. L., Memphis, Tenn., 120 S.
Bronn, Geo. M., Lincoln, Neb., 5 S.
Bronstone, Michael, San Diego, Calif., 1 L.
Brooks, Zack F., Ft. Worth, Tex., 5 S.
Brown, E. A., Garden City, Kan., 80 L; 20 S.
Brown, Elmer, Plainfield, Ill., 5 S.
Brown, G. Coleman, Dallas, Tex., 3 S.
Brown, Leon, Chicago, 5 S.
Brown, W. Franklin Jr., Lubbock, Tex., 8 S.
Brown, Olaf, Delphi, Ind., 1 S.
Brown, R. G., Dearborn, Mich., 6 S.
Browners, Shearman J., Richmond, Ind., 5 L; 1 S.
Bruen, John, Los Angeles, 5 S.
Bruentzel, Aug., Larned, Kan., 30 S.
Brune, G. J., Enid, Okla., 2 S.
Bruntsel, A. E., Larned, Kan., 15 S.
Buckley, R., Chicago, 30 L; 40 S.
Buckley, Robt. W., Barrington, Ill., 20 L; 70 S.
Buckley, S. R., Plano, Ill., 20 S.
Bullock, Thos., Greensboro, N. C., 2 S.
Bullock, Wm. Justus, Ayden, N. C., 5 S.
Burget, Mrs. Ruby E., Galveston, Tex., 1 S.
Burke, F. R., Chicago, 30 L.
Burke Grain Co., Little River, Kan., 30 L.
Burke, Wm. F., Lincoln, Ill., 5 S.
Burris, Wiley A., Medicine Lodge, Kan., 5 S.
Burrus, Jack F., Dallas, Tex., 350 S.
Busch, John and Margaret, Burlington, Ia., 2 S.
Bushnell, Helen E. Randolph, N. Y., 10 L.
Bushnell, Herbert L., E. Randolph, 10 L.
Butler, C. E., Omaha, Neb., 6 S.
Butt, J. A., Hastings, Neb., 10 S.
Butterfield, John H., Paxa, Ill., 1 S.
Butts, I. J., Enid, Okla., 1 S.
Buyniski, Miss F. S., Worcester, Mass., 10 S.

C

Cahn, Mrs. Gladys, New Orleans, 35 S.
Callen, Geo. E., Selma, Ala., 2 S.
Cannon, E. M., Denver, 2 L.
Cansey, Wm., Scottsdale, Ariz., 25 S.
Caplis, Jos. E., Shreveport, La., 10 S.
Cargill Inc., Minneapolis, 2,040 L.
Carlsen, Edward, Salina, Kan., 10 S.
Carroll, J. D., Chicago, 10 L; 10 S.
Carson, Samuel, Harvard, Ill., 10 L.
Carstens, Earl E. Reardon, Wash., 30 S.
Carter Elev. Co. R. R., Jasper, Mo., 5 S.
Carter, L. Ray, St. Louis, 25 S.
Carter, May D. St. Louis, 10 S.
Cartwright, B. Amarillo, Tex., 10 L.
Cassel, Fred, Los Angeles, 5 L; 5 S.
Cawon, A. M., Topeka, Kan., 10 S.
Cernich, John, Albia, Ia., 10 L.
Chaffee, Lawrence T., Honolulu, 4 S.
Chamberlain, Sam, Midland, Pa., 210 L.
Chandler, Frank S., Spokane, Wash., 2 S.
Chandler, Mrs. Anna, Valley, Neb., 2 S.
Chapman, Robt. H., Washington, D. C., 7 S.
Charleston Mills, S. Charleston, O., 2 S.
Charles Payton, Kansas City, Mo., 20 S.
Cherry, Miss Lois E., West Chester, Pa., 10 L.
Chesler, Mary M., Flint, Mich., 1 S.
Chilstrom, John A., Los Angeles, 1 S.
Chisum, W. C., Chicago, 280 L; 280 S.
Christakis, Elias, El Paso, Tex., 20 L.
Christakis, Tony, Chicago, 15 S.
Christensen, Peter, St. Francis, Kan., 1 S.
Christensen, Mrs. Fay, Brooklyn, 5 S.
Cresi, Frank, Cincinnati, 3 S.
Clasn, Edna, Chicago, 2 S.
Clark, H. B., Chicago, 1 L.
Clark, Henry B., San Diego, Calif., 16 L.
Clarke, R. L., Grand Island, Neb., 5 S.
Clayton, H. L., Sioux City, Iowa, 1 S.
Cleator, N. J., Minneapolis, 1 S.
Clemens & Co., Fayetteville, N. Y., 30 S.
Clift, C. Frank, Madison, Ga., 10 L.
Cohen, Hyman G., So. Bend, Ind., 50 S.
Cole, T. O., Ft. Smith, Ark., 5 S.
Coleman, D. W., Burgin, Ky., 25 S.
Colorado Mig. & Elev. Co., Denver, 5 L; 120 S.
Columbus Grain Co., Columbus, Neb., 5 L.
Colwick, O. J. Jr., Sherman, Tex., 15 S.
Commins, William, New York, 15 L.
Compton, Chas B., Frankfort, Ind., 10 S.
Conley, J. P., Chicago, 45 L; 45 S.
Consolidated Amusement, Kansas City, 5 L.
Continental Grain Co., Kansas City, 3, 111 L.
Cook, S. W., Sidney, Neb., 5 S.
Copn, Baldwin, Appleton, Wis., 20 L.
Corman, Harry, Chicago, 150 L; 150 S.
Cory, W. J., Joplin, Mo., 1 S.
Costantino & Vincenzo, Glendale, Calif., 10 L; 10 S.
Cowger, C. E., Greenup, Ill., 5 S.
Cowger, Earl W., Greenup, Ill., 5 S.
Cox, Evelyn R., Chicago, 50 L.
Cox, Mrs. Evelyn R., Chicago, 5 L.
Cox, Roy, Spokane, 15 S.
Cox, W. C., Chicago, 60 L.
Coyne, Edward W., Chicago, 1 S.
Crain, S. T., Hillsboro, Tex., 5 S.
Crandall, Mrs. R. V., Tucson, Ariz., 10 L.
Crane, D. J., Miami, 30 L; 30 S.
Crish, R. P., Los Angeles, 10 S.
Crofton, Chas. B., Garden City, N. Y., 50 L; 50 S.
Crofton, Mrs. Mary, Garden City, N. Y., 50 L; 50 S.
Crookston Mig. Co., Crookston, Minn., 185 L.
Cudd, Haskell, Stillwater, Okla., 10 S.
Culbertson, A. L., Delavan, Ill., 5 S.
Cullodeh, C., Chicago, 80 L; 80 S.
Cullum, Dyke, Silver Spring, Md., 20 L.
Curtis, Jessie B. Jr., Greenville, Tex., 40 L; 40 S.
Cushing, Mrs. Cecilia, Decatur, Ill., 1 L; 1 S.
Cutler, Miss Sara, New Orleans, 5 S.

D

Dallas, G. H., Fulton, Ky., 5 S.
Dalluge, Henry, Macon, Ill., 2 S.
Damsky, P. M., Brooklyn, 10 L; 10 S.
Daniel, Floyd, Eden, Tex., 150 S.
Danne, Jos. H. Reno, Okla., 1 L.
Darbe, R. U. Baltimore, 2 S.
Darko, George, Belt, Mont., 1 S.
Davenport, Rex C., Jacksonville, Tex., 5 3.
Davidson, Ell, Memphis, 1 S.
Davies, Lewis W., Falls City, Neb., 25 S.
Davis, Harry C., Detroit, 1 S.
Davis, Hunt Grain Co., Kansas City, 10 L.
Davis, Minor M., Aurora, Mo., 15 S.
Dean Bros. & Co., Boston, 15 L.
Decker, Frank, Denniseon, Kan., 10 S.
Decker Grain Co., Concordia, Kan., 10
Deger, Fred Jr., Dayton, Ohio, 10 L.
Dehlendorf, Edward, Spokane, 2 S.
Demgel, Edw. H. and Veronica, New York, 5 S.
Dengler, Ernest, Davenport, Iowa, 5 S.
Deyot, Edna Weatherly, Enid, Okla., 5 L; 3 S.
Dibtrell, J. W., San Antonio, 5 L; 5 S.
Dicken, L. S., Streator, Ill., 5 L; 5 S.
Didsbury, Ralph E., Clinton, N. Y., 2 L; 2 S.
Dierkson, Adolph, Enid Okla., 6 L; 8 S.
Dierkson, H., Enid, Okla., 1 S.
Dillow, Lester, Hugo, Col., 10 S.
Dilon, Howard, Minneapolis, 5 L.
Diz, H. J., Wichita, 4 S.
Dixie Portland Flour Co., Memphis, 5 L; 15 S.
Dobkin, E. M., Chicago, 75 S.
Dobry Flour Mills, Yukon, Okla., 150 L.
Doering, H., Chicago, 40 S.
Donegan Barnes & Co., Philadelphia, 10 S.
Dougherty, Francis A., Philadelphia, 5 S.
Douglas, A. E., Macomb, Ill., 1 L.
Douglas, W., Wichita, 5 S.
Dox, Walter C, and Evelyn R., Chicago, 50 L.
Drake, Cecil, La Habra, Calif., 100 S.
Drowinski, J. J., Chicago, 15 L; 15 S.
Dudar, Louis Chas., New York, 4 S.
Dunklau, Mrs. Martin, Hastey, Neb., 2 S.
Durham, Leland C., Amarillo, Tex., 20 S.
Duvaras, James, San Francisco, 100 S.
Dwannig, O., Kansas City, 15 S.
Dwoskin, Nathan, Jacksonville, 5 S.

E

Edelstone, Sigmund E., Chicago, 20 L.
Edelstone, Mrs. Lillian, Chicago, 20 L.
Edmunds, W. C. & Co., Ridgway, S. C., 5 L.
Ehrichs, Frank, Aspenwall, Iowa, 2 S.
Eichheim, Jean H., Nunn, Col., 65 S.
Eichheim, Mrs. Minnie, Nunn, Col., 47 S.
Ekonomu, Mr. and Mrs. G., Los Angeles, 10 S.
Ekonomu, Mrs. Martha, Hollywood, Calif., 10 S.
Ellison, Barney E., Syruse, N. Y., 1 L.
Elwood, Mrs. Ethyle M., Enid, Okla., 1 S.
Embich, Lt. Col. John R., Baltimore, 1 S.
Embiricos, Michael A., New York, 30 L.
Emerson, Lathe, Ritzville, Wash., 3 S.
Emerson, Max A., Chelsea, Iowa, 15 S.
Endorf, Wm. C., Wheatland, Iowa, 5 S.
Engel, Alfred, Germheim, Tex., 5 S.
Enninga, A., Newkirk, Okla., 1 S.
Erdman, Mrs. Estelle P., Pasadena, Calif., 20 L; 20 S.
Erhardt, Rudolf, New York, N. Y., 5 S.
Ernest, Dr. T. B., Long Island, N. Y., 10 L; 10 S.
Eslinger, N. A., Norton, Kan., 5 S.
Ettenson, L. G., Dubuque, Iowa, 5 L; 5 S.
Eyestone, Shirley, Wichita, 5 S.
Eyster, R. W., Chicago, 215 S.

F

Fagan, Vincent, Chicago, 820 L.
Faigle, Lt. Comdr. John E., Washington, 10 L.
Fairchild, Geo. S., Rockford, Ill., 2 L; 2 S.
Fairchild, John L., Sioux Rapids, Iowa, 5 S.
Faltin, H. R., San Francisco, 5 S.
Fanara, Romolo, New York, 5 S.
Farmer, Miss Alice, Minneapolis, 1 S.
Farmers, Elev. Co., Salisbury, Mo., 1 L.
Farmers Elev. Co., Satanta, Kan., 15 L; 80 S.
Farmers Elev. Co., Minneapolis, 10 L; 4 S.
Farmers Union Co-op, St. Marys, Kan., 2 L.
Faroll, B., Chicago, 225L; 240 S.
Faulconer, Lt. Col. James, Winchester, Ky., 5 S.
Fean, Wm., Columbus, Ohio, 10 S.
Feder, Morris, New York, 10 L.
Fedola, Mig. Co., McPherson, Kan., 1 S.
Feidt, John Thorpe, Philadelphia, 10 S.
Feidt, Mrs. Josephine T., Philadelphia, 10 S.
Feinberg, Irving J., Bremerton, Wash., 1 S.
Feinstein, A. & Co., New York, 25 L.
Feirstein, Geo., Chicago, 20 S.
Fence, L. C., Chicago, 25 L; 25 S.
Fengis, Gust, New York, 10 S.
Feniger, Lincoln, Shaker Heights, Ohio, 60 L.
Figley, Mrs. Alila V., Los Angeles, 5 S.
Finch, C. D., Bowling Green, Ohio, 5 L.
Fine, J. C., Ft. Worth, Tex., 1 S.
Firstenberger, Albert B., Marion, Ohio, 5 L.
Fish, M. and S., Dorchester, Mass., 3 S.
Fisher, Orville, Los Angeles, 10 L; 5 S.
Fisher, Rudolph F., Fillmore, Calif., 45 S.
Fisk, Walter, Los Angeles, 5 S.
Flachs, Jos., New York, 20 S.
Flachs, Miss Ernestine, Bronx, N. Y., 4 S.
Flaherty, F. J., Chicago, 2 S.
Flamme, Roy, North Bend, Neb., 15 L.
Flannery, Paul J., Evanston, Ill., 3 S.
Flatterich, Albert A., Los Angeles, 5 S.
Flax, Miss Selma, Bronx, N. Y., 5 S.
Flege, B. and Sons Co., Reading, Ohio, 4 L.
Flinn, Roy, St. Joseph, Mo., 2 S.
Fly, A. N., Nashville, Tenn., 1 S.
Foerster, Alfred C., Chicago, 2 L.
Fogel, Sam H., Dallas, 100 S.
Foote, C. W., Hastings, Neb., 5 S.
Fortier, Emmet C., Chicago, 20 L.
Fox Elev., Lyons, Mich., 3 L.
Fox, Victor, New York, 50 L.
Franz, John, Stony Ridge, Ohio, 2 S.
Fraser, B. H. and Mrs. E., Detroit, 1 S.
Fraser, E. B., Los Angeles, 3 L; 2 S.
Fraser, J. D., Ft. Worth, 5 S.
Fraser, R. R. and M. F., Detroit, 1 L; 1 S.
Frear, Perry A., Philadelphia, 10 S.
Freeman, L. A., Blackwell, Okla., 1 S.
French, Chas., Kansas City, 4 S.
Frese, Wm. F., Bridgewater, Iowa, 1 S.
Friesen Grain Co., Inman, Kan., 10 S.
Frymire, Olden S., Rock Island, Ill., 5 S.
Fuchs, Mrs. Renee, Milford, Mass., 55 L.
Fuhrman, P. J., Chicago, 5 L; 5 S.
Furley Grain Co., White Water, Kan., 30 S.

G

Gallagher, James L., New York, 110 S.
Gallup, Roger S., St. Louis, 2 S.
Gaipin, Arthur, London Mills, Ill., 5 S.
Gambrill, R., Chicago, 10 S.
Garis, Leo D. and Helen S., Park Ridge, Ill., 5 S.
Garrett, Thomas R., Wichita, 1 S.
Garthwaite, Albert A., Conshohocken, Pa., 25 S.
Geiger, G. O., Dennis, Kan., 2 S.
Geiger, Mrs. M. S., Kansas City, 1 S.
Geisel Grain Co. Kansas City, 10 L.
Geist, H. C. Aline, Okla, 10 S.
Gelderman, Steve, Chicago 54 S
Gemberling, L. G., Lancaster, Kan., 10 S.
General Mills, Inc., Minneapolis, 110 S.
Gereke, J. W., Byers, Kan., 30 S.
Gerten, Peter A., Baker, Ore., 10 L.
Gestring, Dr. Henry J., Kansas City, 10 S.
Gibbs, Seth G., Sterling, Ill., 1 S.
Gibson, J. C., Tulsa, Okla., 5 L; 7 S.
Gilam, Robert, Wilmington, Ohio, 1 S.
Gillespie, V. H., Tecumseh, Mich., 3 S.
Givens, W. E., Wichita Falls, Tex., 5 S.
Glade Valley Mig Co., Walkersville, Md., 5 S.
Gazener, Mrs. Irene K., Lubbock, Tex., 1 S.
Gleason, Frank, River Forest, Ill., 20 L.
Glein, Peter, Medicine Lake, Mont., 2 S.
Glenn, W. S., Manhattan, Kan., 10 S.
Gilder, Dr. F. P., Table Rock, Neb., 1 S.
Goff, John W., Eufaula, Ala., 3 S.
Goffe and Carkener, Kansas City, 6 S.
Gogela, James, Omaha, 2 S.
Goldberg, Harry, New York, 50 S.
Goldberg, Victor R., Ozone Park, N. Y., 5 S.
Goldsbury, Jos. C., Minneapolis, 1 L.
Goldsbury, Jos. M., Minneapolis, 5 L.
Goldwurm, Jean, New York, 125 L; 125 S.
Goldwurm, Jula, New York, 125 L; 125 S.
Golson, C. O., Merrouge, La., 5 S.
Goode, C. W., Los Angeles, 5 S.
Goodenberger, Bert, McCook, Neb., 4 L.
Gordon, Howard R., Columbus, Ohio, 1 S.
Gorsuch, L. J., Abilene, Tex., 5 L.
Gottfried Baking Co., Inc., New York, 20 L.
Gottlieb, Max., Brooklyn, 15 S.
Good Seed Grain Co., Hamburg, Iowa, 15 S.
Graham, T. W., Blue Spring, Miss., 25 S.
Grandin, Mrs. D. F., Wayzata, Minn., 5 S.
Graul, Carl W., Grove City, Ohio, 5 L.
Grawe, Elmer, Chicago, 1 S.
Gray, Bernard C., Richwood, Ohio, 10 S.
Greaves, Joe, Toston, Mont., 15 S.
Greenhut, Miss Margot, Bronx, N. Y., 5 S.
Gregg, Maj. Charles S., San Bernardino, Calif., 30 S.
Gregory, John C., Philadelphia, 5 L.
Gregory, Mrs. Mabel, Jacksonville, Ill., 1 S.
Gregory, N. H., Fillmore, Mo., 2 S.
Gries, Robert Hays, Cleveland, 35 L; 35 S.
Griffin, J. B., Brunswick, Tenn., 30 L.
Griffin, J. H., Chicago, 15 L.
Griffin, Wm. J., Chicago, 25 L; 25 S.
Gring and McCord, Farmer City, Ill., 5 L; 15 S.
Groscky, Michael, New Orleans, 5 S.
Groebner, Dr. Otto A., Sioux Falls, S. D., 10 S.
Grogan, William, Nutley, N. J., 5 L.
Groberg, John, New York, 5 S.
Grosby, Albert A., Chicago, 10 S.
Gross Bros. Flour Mills, New York, 25 S.
Guenther, Otto, Detroit, 10 S.
Gumerson, William, Enid, Okla., 40 S.
Gustafson, Herbert C., Long Beach, Calif., 10 S.

H

Haack, Joe, Wichita, Kan., 25 L.
Habegger, Ernest, Tipton, Mo., 1 S.
Hachemberger, E. J., Kansas City, 7 S.
Hachenberg, F. C., Liberty, Tex., 5 S.
Hacker, A. R., Enid, Okla., 5 L.
Hackleman, Willis, Anderson, Ind., 15 S.
Haddican, Thos. E., Cudahy, Wis., 2 S.
Hagerty Grain Chge. Acct., Chicago, 27 L; 100 S.
Hagerty, W. D., Chicago, 250 L; 100 S.
Hagmann, Raymond, Ashton, S. D., 5 S.
Halfmann, Otto K., Ft. Wayne, Ind., 10 S.
Hall, John, Macksville, Kan., 15 S.
Hall, Louis, Macksville, Kan., 15 S.
Hallet & Carey Co., Winnipeg, Canada, 50 S.
Halley, S. E., Denver, 1 S.
Halvin, Marguerite, Red Oak, Ia., 2 S.
Hamata, Matt, Bee, Neb., 25 S.
Hamrick, Lester O., Lattimore, N. C., 10 L; 10 S.
Hand, James E., Sedalia, Mo., 6 S.
Hanewinckel, E., Oklahoma City, 20 S.
Hanks, Elmer E., Fort Wayne, Ind., 270 L; 316 S.
Hannebaum, O. E., Richmond, Ind., 30 S.
Hansen, Mrs. K. J., Kew Gardens, N. Y., 10 L; 10 S.
Hardin, H. H., Brookville, Ohio, 10 L.
Hargrove, J. D., Headland, Ala., 10 S.
Hargrove, J. H., Headland, Ala., 10 S.
Harper Feed Mills, Inc., Washington, Pa., 3 L; 95 S.
Harring, Fred, Belleville, Ill., 61 L.
Harrington, C. F., Denver, 10 S.
Harris, Albert N., Greenway, Ark., 5.
Harris, Everett G., St. Louis, 30 L.
Harris, Jack, Mt. Pleasant, Tenn.,
Harris, Ned, Dallas, 2 S.
Harris, Sam, Des Moines, 20 L.
Harris, W. N., Chicago, 1 L.
Harrison, A. A., Seymour, Tex., 3 S.
Harrison, G. B., Harrisonburg, Va., 45 S.
Hart, Herman E., Boston, 10 S.
Hartwell, H. F., Arriba, Colo., 30 S.
Harvin, Dr. Frank M., Columbia, S. C., 2 L.
Haslam, D. J. and Mrs. Erma R., Salt Lake City, 15 L.
Hatch, Chas. B., Sublette, Ill., 5 S.
Haupert, Frank H., Freeport, Ill., 1 S.
Havliand, Lt. John F., Portland, Ore., 5 S.
Hedegard, Paul, Omaha, 1 S.
Heilman, David, Clay Center, Kan., 2 L.
Heiminger, Geo. A., Metamora, Ill., 1 L.
Heller, Jos. P., Los Angeles, 5 L; 5 S.
Helm, Jack, Clifton, Tex., 5 S.
Henderson, C. M., Farwell, Tex., 5 L.
Henderson, Frank, Greenfield, Ill., 1 S.
Henderson, Alex., Chicago, 1 S.
Hendrickson, Grant, Idaho Falls, Idaho, 15 S.
Hennagin, Fred, Portland, Ore., 20 L.
Henning, Ted, Covina, Calif., 2 S.
Herbuveaux, J. G., Chicago, 10 S.
Heskett, Harry S., Rippon, W. Va., 90 L.
Hevelone, E. L., Beatrice, Neb., 5 S.
Heyniger, Dr. Wm. C., Detroit, 5 S.
Hicks, Henry C and Helen, El Reno, Okla., 1.
Hightower, J. M., Winnfield, Ala., 25 S.
Hillyard, B. R., Junction, Kan., 5 S.
Hindi, Frank, Storm Lake, Iowa, 1 S.
Hodgson, Dr C. M., Kingfisher, Okla., 20 S.
Hoffacker, Theo., Dallas, 50 L.
Hoffman, Mrs. G., Columbus, Ohio, 5 S.
Holbrook, Ralph, Beacon Falls, Conn., 5 L.
Holkenbrink, H. and Mrs. A. N., Torrington, Wyo., 70 S.
Holkenbrink, W and Mrs. J. A., Torrington, Wyo., 30 S.
Holloway, F. S., Chicago, 1 L; 1 S.
Hollowell, Wayland, Marvell, Ark., 5 S.
Homal, A. and E. C., Ferndale, Mich., 1 S.
Horecker & Halperin, Chicago, 4 S.
Horn, Harry, New York, 10 L; 25 S.
Horn, Jacob F., Milwaukee, 5 L.
Hotchkin, Dick E., Detroit, 3 S.
Howard, Edgar C., Glenmore, Pa., 1 S.
Howard, Louis A., Minneapolis, 15 L.
Howell, F. H., Table Grove, Ill., 5 L.
Howell, F. O., Idaho Falls, Idaho, 1 L; 2 S.
Howell, F. O. and Arave Helen, Idaho Falls, Idaho, 1 S.
Hubbard, Owen, Abilene, Tex., 1 S.
Hubblefield, Ben H., McLean, Ill., 10 S.
Hubbs, H. C., Memphis, Tenn., 13 L.
Huebner, J. J., Owensburg, Ky., 30 S.
Hughes, M. G., Dawn, Mo., 1 S.
Hughes, Will J., Dawn, Mo., 1 L; 1 S.
Hukill, Mrs. Ida and Hatton, Los Angeles, 5 L.
Hulsey, Alan A., Dallas, 50 L.
Hunsicker, C. F., Pontiac, Ill., 6 S.
Hunt, A. W., Kansas City, Mo., 30 L.
Hunt, E. E., Rising Sun, Ind., 75 S.
Hunt, Wm. O., Chicago, 5 L; 100 S.
Hunter, Ed., St. Louis, 1 S.
Hurwitz, Sam, Gladewater, Tex., 100 S.
Huston, Ellis M., Windsor, Mo., 2 S.
Hutchinson, L. H., Bell Garde, Calif., 1 L.
Huyck, K. R., Prosser, Neb., 5 S.

I

Ilk, Jos, P., Owatonna, Minn., 1 S
Ince, Omar, Omaha, 150 S.
International Milling Co., Minneapolis, 40 L.
Isbrandtsen Co., Inc., New York, 60 L; 60 S.
Isom, R., Miami, 2 S.
Isaacoullian, Mrs. Elizabeth, New York, 1,435 L; 1,585 S

J

Jacabson, Joe, Oklahoma City, 10 L.
Jackson, H. Enos, Lawrenceberg, Ind., 5 S.
Jackson, John D., Western Springs, Ill., 200 L; 200 S.
Jackson, L. N. & Co., New York, 25 L; 25 S.
Jacobson, Jos., Oklahoma City, 15 S.
Jehlicka, Harriet, Berwyn, Ill., 2 S.
Jenkins, T. B. and Kathryn R., Richmond, Ind., 40 L.
Jennette, F. G., Armstrong, Ia., 5 S.
Jennings, Harry, Jersey City, 2 S.
Jensen, Clark J., Albion, Neb., 3 S.
Jensen, E. R., Norfolk, Neb., 20 S.
Jessen, Will, Peabody, Kan., 20 S.
Joel, Herman, Brooklyn, 10 L; 10 S.
Johnson, Chas. L., Washington, D. C., 1 S.
Johnson, D. E., Larned, Kan., 10 L.
Johnson, Edw. W., Freeport, Tex., 5 S.
Johnson, Enoch, Kemsen, Ia., 10 S.
Johnson, James, Robbinsdale, Minn., 5 S.
Johnson, Jos. Omaha, 1 L.
Johnson Jr., Frank E., New Orleans, 25 S.
Johnson, Lawrence, St. Paul, 1 S.
Johnson, Phil H., Sutton, Neb., 1 S.
Johnson, Severin, Wahpeton, N. D., 5 S.
Johnson, Victor E., Luverne, N. D., 5 S.
Johnson, Wesley A., Chicago, 80 L.
Jones, Charnie H., Macon, Ga., 5 S.
Jones, Glenn H. (no address given), 5 S.
Jones, J. E., Ft. Mill, S. C., 20 L.
Jones, John J., Arvada, Colo., 10 S.
Jones, Jos. M., New Orleans, 5 L.
Jones, Wills, Coleridge, Ia., 10 L.
Joseph, L. R., Salt Lake City, 2 S.

K

Kaminski, Jos., Seattle, 10 S.
Kanvo Trading Corp., New York, 75 L.
Kaplan, Lee, Houston, Tex., 2 S.
Karner Bros., Dundee, Mich., 3 S.
Kastning, Dr. H. E., St. Louis, 2 S.
Katterheinrich, N. P., Knoxville, Ohio, 2 S.
Kaufman, Eugene, New York, 100 L.
Kaupke, L. R., Drummond, Okla., 5 S.
Kearns, Harry L., Amarillo, Tex., 5 S.
Kegebein, E. L., Salina, Kan., 5 S.
Keirle, Eph, Baker, Mont., 15 S.
Keith, Harry C., Des Moines, 4 S.
Kelashian, Geo., Los Angeles, 2 S.
Kelly, O. T., McCook, Neb., 1 L.; 1 S.
Kelly, Richard, Tampico, Ill., 1 S.
Kendall, C. C., Wichita, Kan., 1 S.
Kennedy, John, Salem, Neb., 10 S.
Kennedy, W. D., Waukomis, Okla., 6 L.
Kenney, Jas. W., Denver, 5 S.
Kent, Emanuel, New York, 20 L.; 20 S.
Kerber, Andrew W., Milton, Ind., 15 L.
Kerr, Dr. N. H., Hamburg, Ia., 10 S.
Kessell, Ben, St. Louis, 70 S.
Kessler, W. G., Wichita, Kan., 20 L.; 20 S.
Kinder, Olan V., Wilmington, Calif., 8 S.
Kinser, Daniel D., Davenport, Ia., 7 S.
Kircos, Nick, Detroit, 5 S.
Klam, Joseph E., Brooklyn, 5 S.
Klassen, J. W., Conway, Kan., 1 L.
Kliecan Gr. Co., Kansas City, Mo., 30 L.; 210 S.
Kliepinger, R. O., Ingomar, Ohio, 2 S.
Knapp, Frank A., Mt. Vernon, N. Y., 3 S.
Knickrehm, John, Lincoln, Neb., 1 L.; 1 S.
Knight, Robt. F., Columbus, Ohio, 1 S.
Knowlton, Mrs. R. H., (no address given), 15 S.
Koehl, Geo., Chicago, 10 S.
Koetter, Wm., McCook, Neb., 2L.
Kohler, J. W., Chicago, 5 S.
Kolb, Chas. L., Sioux City, Ia., 2 S.
Kolb, F. R., Wichita, Kan., 1 S.
Kolkmeyer, Wm. H., Chicago, 1 S.
Komorek, J. K., Bavaria, Kan., 1 S.
Konig, Geo. F. H., New York, 10 S.
Kopisch, Leroy, Hartford, Ill., 1 S.
Kops, Mrs. Ida, New York, 2 S.
Korff, W. W., Hebbon, Neb., 5 S.
Kostolany, Andre B., New York, 5 L.
Kramm, Alvin H., St. Paul, 5 S.

S

Krauss, A. A., N. Baden, Ill., 5 L.
Kreider, Henry H., Palmyra, Pa., 5 S.
Krueger, A. L., San Angelo, Tex., 40 L.; 40 S.
Krug Baking Co., Geo., New York, 100 S.
Kuehl, Chas. H., Davenport, Ia., 5 S.

L

Labell, Dr. Martin M., Everett, Mass., 1 S.
Lambert, E. O., Bloomington, Ill., 5 S.
Lambert, E. O., Heyworth, Ill., 10 L.
Lane, F. E., Saranac, Mich., 1 L.
Lane, Ira F., Clarksdale, Miss., 2 S.
Lang, Carl, Dacoma, Okla., 1 S.
Langford, N. B., Los Angeles, 10 S.
Langworthy, Dr. H. G., Dubuque, Ia., 2 S.
Larabee Flour Mills, Kansas City, Mo., 25 L.
Larson, Sidney, Huron, S. D., 2 S.
Lasater, Jessie, Chicago, 10 L.
Latman, Morris, Lincoln, Neb., 5 S.
Laubengayer, R. J., Salina, Kan., 5 S.
Laughlin, C. E., Rock Island, Ill., 2 S.
Lawyer, Hubert A., Minneapolis, 3 S.
Ledden, James and Dorothy, Sewell, N. J., 2 S.
Lefforge, R. and T., Bloomington, Ill., 5 S.
Leger Mill Co., Altus, Okla., 5 S.
Lehmasters Elev. Co., Lehmasters, Pa., 5 L.
Lehrer, Miss Lillian H., Bronx, N. Y., 5 S.
Leinbach, Harold, Reading, Pa., 10 S.
Leitch, G. A., Dallas, Tex., 10 S.
Leisure, J. B., Watonga, Okla., 10 L.
Lentz, Geo. E., Atchison, Kan., 10 S.
Leas, Andrew, Whitehall, Mont., 2 L.
Level & Co., Inc., Chicago, 20 L.; 510 S.
Levi, E. M., Zeeland, N. D., 20 L.
Levie, O. H., McConnon, Geo., Macon, Ga., 30 L.
Levine, Mrs. Bertha, New York, 5 S.
Levine, Nat, Brooklyn, 25 L.; 30 S.
Levis, W. G., Evanston, Ill., 10 S.
Levy, David M., New York, 15 L.
Lewis, Mae, Sedgwick, Kan., 20 S.
Lexington Mill & Elev., Lexington, Neb., 60 L.
Lichens Co., New York, 30 S.
Liebermann, Eva, New York, 10 L.; 5 S.
Lind, Paul N., Oakland, Calif., 5 S.
Linn, Ray H., Joplin, Mo., 5 L.; 10 S.
Linville, F. H., Sioux City, Ia., 3 S.
Lipetz, N. M., Southampton, N. Y., 30 S.
Lockwood, Clinton S., New York, 15 S.
Lodi Equity Co., Lodi, Ohio, 2 L.; 10 S.
Lohmuller, Earl H., Chicago, 20 S.
Lohoefener, O., Oberlin, Kan., 5 L.
Lohrenz, Jos. J., Spokane, Wash., 65 S.
Lone Star Elev., Ft. Worth, Tex., 1,010 S.
Longstreet, R. W. and R. E., St. Louis, 10 L.; 10 S.
Lovelady, N. E. Ft. Worth, Tex., 4 S.
Lucas, Dr. J. W., Wichita, Kan., 1 S.
Lucas, J. Wesley, Wichita, Kan., 1 S.
Lucas, W. J., Springfield, Ill., 5 L.
Lucy, C. J., Chicago, 50 L.; 50 S.
Lukeman, Geo., Jacksonville, Ill., 15 L.
Lukens, Chas., Bala, Pa., 200 L.
Lundell, Paul W., Rockford, Ill., 40 L.; 4 S.
Lundquist, Ralph, Neligh, Neb., 15 S.
Lundy, Edgar R., Washington, D. C., 1 S.
Luthen, Carl, Hibeing, Minn., 5 L.
Luther, Max, Huntsville, Ala., 5 S.
Lyons, J. C., Chicago, 55 L.; 55 S.
Lyons, John L., North Little Rock, Ark., 5 S.

M

Mandas, George (no address given), 3 S.
Manget Bros., Newnan, Ga., 100 L.; 10 S.
Marble & Co., Denver, 10 L.; 50 S.
March, Mrs. Ruby W., San Angelo, Tex., 10 S.
Marguart, Harkey, Bluffton, Ohio, 1 L.
Markham, E. H., Longmont, Colo., 15 S.
Marold, F. S., W. Milton, Ohio, 1 S.
Marshal, Godfreyl, E. Hempstead, N. Y., 2 S.
Marshall Land and Livestock, Belvidere, Ill., 110 L.; 200 S.
Martin, Thomas F., Topeka, Kan., 10 S.
Marydel Grain and Feed Co., Marydel, Md., 5 S.
Mashek, Dr. J. V., Chicago, Ill., 10 L.
Maslin, Lt. Col. F. I. and Mrs., Gov. Island, N. Y., 5 L.
Mason, Ernest C., Cleveland, Ohio, 4 L.
Matons, F. A., Denver, Colo., 5 S.
Mattingly, C. J., St. Marys, Mo., 10 S.
Maugansville Elev. and Lumber, Maugansville, Md., 25 L.
May, J. G., Sacramento, Calif., 5 S.
Mayer, H. G., Charlotte, N. C., 5 S.
Mayfield, J. F., Marianna, Ark., 2 S.
Maynard, E. T., Chicago, 250 S.
McCauley, S. J., St. Louis, 20 S.
McCormick, L. C., Chicago, 2 L.; 2 S.
McDonald, Emory, New Orleans, La., 2 S.
McGuire, C. A. and M. S., Tulsa, Okla., 20 S.
McIntyre, Frank, Hersey, Mich., 5 L.
McKinley, Henderson, Ridgefarm, Ill., 4 S.
McMahon, V. P., River Forest, Ill., 10 S.
McNeill Gr. Co., The E. B., Thomas, Okla., 25 S.
McCarthy & Scoville, Chicago, 24 L.; 36 S.
McClure, Wm. H., Republic, Kan., 8 S.
McCraine, Scotty, Nacogdoche, Tex., 5 S.
McCulloch, Dr. E. C., Staten Island, N. Y., 10 L.
McGrath, Dr. Jos. D., Ft. Wayne Ind., 2 S.
McHugh, J. P., Chicago, 5 L.; 5 S.
McIntosh, Howard, Unadailla, N. Y., 20 S.
McKensie, Donald, Solomon, Kan., 2 S.
McLaughlin, Julia, Rockville Center, N. Y., 10 S.
McLeod Robert G., Los Angeles, Calif., 10 S.
Meier, Homer, Carroll, Ia., 10 S.
Meleady, John, New York, N. Y., 145 L.
Melican, W. F., Chicago, Ill., 14 L.; 12 S.
Meltzer, B. J., Cedar Rapids, Ia., 20 S.
Mensendieck Gr. Co., Kansas City, Mo., 20 S.
Merrill, Davis Noland., Kansas City, Mo., 80 L.
Merrill, Lynch, Pierce, F. and B., New York, 10 S.
Messick & Von Moock, Chicago, 46 L.; 30 S.
Metcalfe, Mrs. L., Randolph, N. Y., 5 L.
Meyer, A. F., Needles, Calif., 1 S.
Meyer, Dr. Oscar H., Sioux City, Ia., 5 S.
Meyer, Elizabeth and Eckhardt W., Chicago, 2 S.
Meyer, Frances, Beatrice, Neb., 4 S.
Meyer, Idella L., Beatrice, Neb., 1 S.
Meyer, John, Pingree, N. D., 5 S.
Meyer, Milton F., Mt. Pleasant, Tex., 10 L.
Meyer, Paul., Beatrice, Neb., 2 L.; 2 S.
Mick, George, Spencer, Ia., 5 S.
Mid Continent Gr. Co., Kansas City, Mo. 60 L.; 45 S.
Midland Flour Mlg. Co., Kansas City, Mo., 70 L.
Miller, Belle M., Norristown, Pa., 10 S.
Miller, C. S., Tulsa, Okla., 4 L.
Miller, Carl, Wichita, Kan., 5 S.
Miller, Charles L., Alta, Ia., 5 S.
Miller, Donald J., Seattle, Wash., 2 S.
Miller, Earl L., Ireton, Ia., 2 L.
Miller, Ernest, Tina, Mo., 5 S.
Miller, Helen, Miami, Fla., 100 S.
Miller, Max, Miami, Fla., 150 S.
Miller, Mrs. C. M., Salina, Kan., 5 S.
Miller, Russell, Dallas, Tex., 75 S.
Milliken, Lyle D., Ord, Neb., 5 L.
Millsap, H. E., Dallas, Tex., 5 S.
Miner, S. C., Dodge City, Kan., 5 S.
Minteer, Mrs. Marjorie, Wichita, Kan., 10 L.
Mitchell, Chris, Tucson, Ariz., 1 S.
Mitchell, Manuel M., Starkville, Miss., 10 S.
Mitse, Miss Levy, Nacogdoches, Tex., 10 S.
Moe, Walter A., Seattle, Wash., 10 L.; 10 S.
Modesitt, Carl, Denver, Col., 5 S.
Moeller, Peter R., Chicago, Ill., 2 S.
Molyneaux, F. S., Kenilworth, Ill., 15 S.
Molyneaux, T. F., Chicago, 20 L.; 45 S.
Monnett, Frank E., Columbus O., 4 L.
Monnoo, Edward W., Oak Park, Ill., 30 S.
Montague, T. C., Lima, O., 1 L.
Monteith, S. A., Des Moines, Ia., 1 S.
Montgomery, Dr. T. R., Memphis, Tenn., 20 S.
Monticello Gr. Co., Monticello, Ill., 10 S.
Moody, J. R., Coldwater, Kan., 5 S.
Moore, H. E., Emporia, Kan., 10 S.
Moore, R. Spl. Agt., Washington, D. C., 30 L.
Moore Seaver Gr. Co., Kansas City, Mo., 20 L.
Moorer, Miss Anna Lula, Nacogdoches, Tex., 10 S.
Morris, J. S., Chicago, 5 S.
Mining, James T., San Francisco, 5 S.
Morrison, J. Ray, Pecatonica, Ill., 1 S.
Mortensen, Levi, Salt Lake City, 3 S.
Moseley, Robert J., Cordova, Ala., 1 L.
Moses, Mrs. Maude C., Orangeburg, S. C., 10 L.
Moss Gr. Co., Paris, Ill., 3 S.
Mottier, Favre, Danville, Ill., 3 S.
Mraz, Wm. F. and J. Edward (address not given) 3 S.
Mueller Ludwig Co., New York City, 35 L.; 5 S.
Musz, Mrs. Myrtle, Higgins, Tex., 30 L.
Muir, Dr. Bennett W., Aurora, Col., 5 S.
Munson, Carl, Galesburg, Ill., 10 S.
Munson, Frances, Chicago, 1 S.
Murphy, Dr. L. C., Wichita, 5 S.
Murphy, M. J., Des Moines, 2 S.
Myers & Co., A. B., Kansas City, Mo., 135 L.; 30 S.
Myers, Louis M., Bulls Gap, Tenn., 80 L.
Myers, Mary D., Bulls Gap, 50 L.

N

Nappanee Mlg. Co., Nappanee, Ind., 15 L.
Narris, Gus, Sidney, Neb., 10 L.
Neal, Clark, Monmouth, Ill., 2 S.
Neals, Wm. F., Dallas, Tex., 35 L.
Nelson, Al., Chicago, Ill., 5 S.
Nelswander, Daniel B., Canal Winchester, Ohio, 5 S.
Nelson, Bennie, Beresford, S. D., 1 S.
Nelson, H. N., Altona, Ill., 3 L.; 3 S.
Nelson, J. C., Sioux City, Iowa, 3 S.
Newell, W. S. and Mrs. F. H., Santa Monica, Calif., 15 S.
Newman, E. W., Ashland, Va., 5 L.
Niarchas, S. S., New York, N. Y., 480 L.
Nichols & Co., Boston, 15 S.
Niederhouse, Charles H., Perrysburg, Ohio, 2 L.; 3 S.
Niehouse, J. and Rice F., Salina, Kan., 2 S.
Nierman, Max, Chicago, 70 L.
Nigro, Charles, Kansas City, Mo., 50 S.
No. Amer. Trading Corp., New York City, 120 L.; 60 S.
Nolan, J. J., Chicago, 70 L.; 100 S.
Nolan, Russell P., Urbana, Ill., 10 S.
Noll, August, Winchester, Kan., 6 S.
Nollenberger, H. F., Stony Ridge, O., 10 S.
Nordhougen, Orris, Leeds, N. D., 10 S.
Norgaard, James C., Superior, Neb., 8 S.
Norman, Vernon, Tacoma, Wash., 2 L.

Norris Grain Co., Chicago, 70 L.
Norris, John H., Metropolis, Ill., 30 L.; 55 S.
Norris, W. D., Amarillo, Tex., 5 S.
North, Merle, Norborne, Mo., 5 S.
Norton, M. J., St. Joseph, Mo., 5 S.
Nourie, Anne J., Wichita, Kan., 3 S.
Noyce, Mildred, Salina, Kan., 5 S.
Nugent, Joseph M., Chicago, 5 S.
Nusbaum, Leo F., Falls City, Neb., 5 S.

O

O'Bannon Grain Co., Claramore, Okla., 1 S.
O'Brien, Joe E., Princeton, Neb., 10 S.
Oakes, J. Winfield, Houston, Tex., 1 S.
Oakes, Robert, Houston, Tex., 5 S.
Oakley Corp., Terre Haute, Ind., 25 L.; 25 S.
Oakley, Hollie N., Terre Haute, Ind., 60 L.; 60 S.
Oakley, Walter, Terre Haute, Ind., 10 L.; 10 S.
Oberaldo Finance Corp., Reading, Pa., 20 S.
Odom, Roy, Big Springs, Tex., 4 S.
Omar, Inc., Omaha, 50 L.; 150 S.
Orr Grain Co., Mt Carmel, Ill., 15 S.
Orton, Duane, Cleon and W. F., Cornins, Iowa, 1,960 L.; 1,785 S.
Oster, Clarence, Prosser, Neb., 3 S.
Oswald, Albert, Minneapolis, 5 S.
Otwell, Rebecca, Cummings, Ga., 5 L.
Otwell, Roy P., Cummings, Ga., 20 L.
Ousdahl, W. H., Springfield, Mo., 1 S.
Overstake, Mrs. F. L., Salina, Kan., 1 S.

P

Page, Wayne, Jefferson, Okla., 5 S.
Palecek, Harry, Enid, Okla., 25 S.
Palutzke, E. W., Glendale, Calif., 5 S.
Parker, Mort, Hiawatha, Kan., 2 S.
Parsons, B. W., Hugoton, Kan., 10 S.
Partee, I. L., Atlanta, Ga., 10 L.
Patton, Dr. Louis K., Amarillo, Tex., 5 L.
Payne, Wm., Benedict, Kan., 10 S.
Peck, Archer Carpenter, W. Plains, Mo., 1 L.
Peerless Flour Mills, Norton, Kan., 15 L.
Pembroke, Dan, Ivesdale, Ill., 10 S.
Pender, S. R., Salt Lake, Utah, 2 S.
Pendery, R. C., Ft. Worth, Tex., 9 S.
Persons, John O., Kennedy, Minn., 15 L.
Peterson, David W., Albert City, Iowa, 1 S.
Peterson, Ed S., Keithsburg, Ill., 2 S.
Peterson, J. S., Jacksonville, Fla., 5 S.
Peterson, Leroy, Moline, Ill., 2 S.
Petry, Donald, Hoopeston, Ill., 45 S.
Petters, Mrs. Daisy A., Janesville, Wis., 2 S.
Pewamo Elevator Co., Pewamo, Mich., 10 S.
Pfeffer Milling Co., Lebanon, Ill., 5 L.
Pfieffer, Raymond, Akron, O., 1 S.
Phebus, R. L., Dyersburg, Tenn., 20 S.
Pillsbury Flour Mills, Minneapolis, 895 L.; 25 S.
Pistorious, Mrs. Lillie, Beaumont, Tex., 2 S.
Poage, Dwight J., Torrington, Wyo., 40 S.
Pond Creek Elevator Co., Pond Creek, Okla., 10 S.
Potash, Dave, Omaha, 10 L.
Potwin Grain Co., Potwin, Kan., 100 S.
Price, D. S., Springfield, Mo., 4 S.
Priebe, Milton W., Kingfisher, Okla., 5 L.
Priest, M. F., Huntington, Tenn., 40 L.
Primm, Glenn A., Springfield, Ill., 1 L.
Prosser, David B., Dallas, 2 S.
Pumprey, G. H., Shickley, Neb., 2 S.
Pyne, Dr. L. G., Los Angeles, 2 S.

Radtke, Dr. A. W. & W. F., Minneapolis, 10 S.
Ralston Purina Co., St. Louis, 190 S.
Rapidan Milling Co., Rapidan, Va., 10 S.
Ratcliff, A., Kankakee, Ill., 2 L.
Rector, W. F., Buffalo, 5 L.
Redfield, H. D., Smithport, Pa., 15 S.
Reed, D. H., Medford, Okla., 15 L.; 15 S.
Reed, Glen R., Ronan, Mont., 5 S.
Reigstad, Torris, Chicago, 5 L.
Reiyea, I. H., Perry, N. Y., 2 S.
Remick, E. C., Chicago, 1 S.
Renshaw, Les, New Orleans, 1 S.
Reppe, A. C., Detroit, 1 S.
Reschke, V. E., Pratt, Kan., 10 S.
Reynolds, Hal K., Bryn Mawr, Pa., 10 L.
Rhodes, H. R., Colony, Kan., 5 S.
Rice & Ryan, Chicago, 225 L.
Rice, Dan F., Chicago, 480 L.; 635 S.
Rice, R. F., Lawrence, Kan., 50 S.
Richardson, Nelson O., Beaumont, Tex., 10 S.
Rickels, Harry P., Toledo, 5 S.
Riederer Grain Co., Rozel, Kan., 10 L.
Ries, W. T., Belmond, Iowa, 1 S.
Riley, W. M., Tuscola, Ill., 10 S.
Rispoli, L. R., New Orleans, 15 L.; 15 S.
Roberts, Carter F., Knoxville, Tenn., 2 L.
Roberts, G. A., Hastings, Neb., 4 S.
Roberts, H. V., Champaign, Ill., 3 S.
Roberts, R. E., Cabool, Mo., 20 S.
Robinson, H., Warsaw, Ind., 10 S.
Rodney Milling Co., Kansas City, 100 L.; 105 S.
Rohn, H. H., Chicago, 63 L.; 60 S.
Romain, Lawrence, Chester, Mont., 5 L.
Romano, Mathilde, New York, 10 S.
Roney, J. S., Grand Island, Neb., 10 L.
Rosen, Jake, New York, 6 S.
Rosen, Mrs. Bella, New York, 6 S.
Rosenbaum Bros., Chicago, 25 L.; 160 S.
Rosenberg, Joseph H., Seattle, Wash., 30 S.
Rosenberg, Harold, Chicago, 100 L.; 100 S.
Ross, Elmer C., Centre City, Pa., 30 L.
Ross Grain Co., Akron, Iowa, 2 S.
Ross, H. S., Joplin Mo., 2 L.; 2 S.
Rossakes, James, Dallas, 5 L.
Rotenberg, Maurice, New York, 10 L.; 10 S.
Rotschild, Heiman and Johan, New York, 5 L.
Rowland, C., Chicago, 10 L.
Rubenstein, J. H., Chicago, 20 L.; 30 S.
Ruble, Betty Y., Orlando, Fla., 20 S.
Ruble, Roberta, Orlando, Fla., 20 S.
Rudolph, William T., Minneapolis, 1 S.
Rule, A. H., Knoxville, Tenn., 3 S.
Rush and Lefforge Tho., Bloomington, Ill., 5 S.
Rush, Virgil P., Troy, Kan., 30 L.
Ryan, L., Chicago, 5 S.
Ryan, L. J., Chicago, 50 L.; 125 S.
Rycroftt, E. C., Chicago, 2 L.; 2 S.

S

Salisbury, S. E., Lincoln, Neb., 5 S.
Saltz, S., Chicago, 100 L.; 100 S.
Salzman, Henry, Lincoln, Neb., 2 S.
Sampson, Duard L., Kansas City, Mo., 5 S.
Sampson, L. H., Detroit, 3 S.
Samuels, Abe, Chicago, 50 L.; 50 S.
Sander, Arnold, Kingfisher, Okla., 1 L.
Sapsck, Frank T., Swanson, Neb., 6 L.
Sauer, C. F. and C. C., Denver, 10 S.
Saunders, Samuel, Farmingdale, N. J., 5 S.
Savage, Howard, Beardsley, Kan., 50 S.
Sax, Raymond, Camillus, Ala., 5 L.
Scanlon, Anthony, Perry, Iowa, 3 S.
Scanlon, J. F., Chicago, 100 L.; 100 S.
Schaaf, Jacob, Omaha, 1 S.
Schaal, F. W., Gary, Ind., 10 S.
Scharping, C., Waterport, N. Y., 5 L.
Scheibe, Edwin, Waterville, Kan., 1 L.; 3 S.
Schiller, Mrs. Madeleine, New York, 10 S.
Schmick, Henry H., Endicott, Wash., 5 L.
Schmidt, Arthur and Edna, Newton, Kan., 7 L.
Schmidt, Bernard, Waukesha, Wis., 2 S.
Schmidt, Mrs. Ruby, St. Louis, 1 S.
Schneider and Jackson, Lawrenceberg, Ind., 5 S.
Schnell, H. & Co., New York, 25 S.
Schram, Geo., Covington, Ohio, 1 S.
Schroeder, C. W., San Diego, Calif., 5 L.
Schroeder, C. R., Brenham, Texas, 2 S.
Schuessler, W. M., Wichita, Kan., 130 L.
Schultz, Alexander, Brooklyn, 5 S.
Schultz, Tate, Hastings, Neb., 10 L.
Schumacher, W. W., St. Louis, 1 S.
Schwarz, Chas. E., Tacoma, Wash., 1 L.
Schwartz, Edward G., Pasadena, Calif., 2 S.
Schwartz, Louis, Washington, D. C., 75 S.
Schweer & Co., Chicago, 18 L.; 44 S.
Scoular Bishop Grain Co., Kansas City, Mo., 10 L.; 5 S.
Searsey, John J., Lewiston, Neb., 10 S.
Sease, H. R., Joplin, Mo., 5 L.
Seelinger, W. H., Butler, Mo., 10 S.
Seid, Edmund, Ft. St. Louis, Mo., 4 S.
Sellinger, G. M., Chicago, 1 S.
Senseney, Newton, Wood River, Neb., 5 L.
Severseen, Jacob A., Vancouver, Wash., 20 S.
Severson, Albert, Everest, Kan., 5 S.
Shawnee Milling Co., Shawnee, Okla., 5 S.
Sea, Catherine, New York, 10 S.
Sheldon, Harry, Cassville, Wis., 15 L.
Shennick, J. J., Quincy, Ill., 6 S.
Shepherd, Colon O., Jasper, Fla., 10 L.
Sheridan, J. K., Chicago, 1 L.
Sherman, E., Garden City, Kan., 10 L.; 35 S.
Shinn, Chas., Smithville, Mo., 2 L.
Shoemaker, M. T., Rosart, Ind., 1 S.
Shotwell, Earl, Oklahoma City, 15 L.
Shriver, Mrs. E. R., Emmitsburg, Md., 2 L.
Shubart, E. G., Dalhart, Tex., 5 S.
Sieberman, Samuel, Exeter, Pa., 5 S.
Silver Bros., Urbana, Ill., 5 S.
Simon, John H., Reckville, N. Y., 75 S.
Simons, Alex, Chicago, 3 S.
Simonson, John, Bingham Canyon, Utah, 5 L.
Simovier, Michael, Akron, Ohio, 2 S.
Simpson, J. F., Chicago, 141 L.; 140 S.
Simpson, Wallace, Wichita, 1 S.
Sincere Co., Chicago, 50 S.
Sjulin, Mrs. Frances Linn, Hamburg, Iowa, 45 L.; 70 S.
Skalet, Ernest, Whalen, Minn., 20 L.
Skoda, Albert, Los Angeles, 10 S.
Slade, J. B., McIntosh, Ala., 10 S.
Slusher, Wm., Enid, Okla., 5 S.
Small, Joseph, Long Island, N. Y., 5 S.
Smart, Jack R., Chicago, 8 L.
Smart, John R., Chicago, 50 L.; 50 S.
Smith, A. J., Kulm, Minn., 2 S.
Smith, A. W., Marshall, Tex., 3 S.
Smith, Carl, Paulding, Ohio, 1 L.
Smith, Edward G., Chicago, 10 S.
Smith, Mrs. F. E., San Antonio, Tex., 2 S.
Smith, Jack and Fogel, Sam, Dallas, 200 S.
Smith, Jim E., Union City, Okla., 10 S.
Smith Murphy Co., Inc., New York, 130 L.; 25 S.
Smith, Ralph J., St. Joseph, Mo., 5 S.
Smith, Raymond F., Glencoe, Ill., 50 L.; 75 S.
Smothers, Dwight, Cedar Rapids, Iowa, 5 S.
Snyder, Dewey, Modale, Iowa, 2 S.
Snyder, L. A., Fairbury, Neb., 5 S.
Sommer, Frank J., St. Louis, 2 S.
Sommerkamp, William R., St. Bernard, Ohio, 10 S.
Sorensen, Ed A., Dows, Iowa, 3 L.
Soroko, George Bram, New York, 65 L.; [illegible] 65 S.
Sours, George, Hutchinson, Kan., 5
Southeastern Mills, Rome, Ga., 20 S.

Southwestern Grain Co., Kansas City, 105 L.; 45 S.
Southworth Grain House, Toledo, Ohio, 10 L.; 15 S.
Spaw, O. J., Hutchinson, Kan., 2 S.
Spader, Alex, Lincoln, Neb., 30 S.
Sparber, Sam, Chicago, 1 S.
Spencer, C. W., Kansas City, 20 S.
Spencer Produce Co., Kansas City, 80 S.
Spicer, Chas. T., Monmouth, Ill., 3 S.
Spindel, Betty, New York, 15 S.
Spiropoulos, Spiros, Los Angeles, 5 S.
Spohrer, Ralph, Drummond, Okla., 5 S.
Spinger, Kenneth F., New York, 10 S.
Springer, Kenneth F., New York, 10 S.
Squires, William G., Butte, Mont., 1 L.; 1 S.
Sramek, Phillip, Scott City, Kan., 5 L.
Stadelhofer, Wm., Webster Grove, Mo., 1 S.
Standard Milling Co., Chicago, 85 L.
Stark, Floyd J., Medora, Ind., 2 L.
Stark, Richard C., Woolstock, Iowa, 1 S.
Starrels, Joel, Chicago, 25 L.; 25 S.
Steel, Seth R., Elbert, Col., 5 S.
Steel, Wade A., Franklin Park, Ill., 1 S.
Stein, A. F., Chapman Kan., 4 S.
Steinke, L. A., Deergrove, Ill., 5 L.
Stephen, Dwight, Cuba City, Wis., 5 S.
Stephens, S. R., Samson, Ala., 30 S.
Stephenson, E. B., Winfield, Kan., 10 S.
Stern, Belle M., Long Island, N. Y., 10 S.
Stern, Leo, New York, 40 S.
Stern, Leopold, New York, 50 S.
Stewart, W. L., Jacksonville, Fla., 15 L.
Stier, C. C., Petersburg, Ill., 10 S.
Stone, Curtis B., Toledo, 1 S.
Stone, L., W. Hartford, Conn., 15 S.
Stone, V. and E., Jt. Acct., Kansas City, 5 S.
Stoppel, Dave, Russell, Kan., 13 L.
Stotler, M. E., Streator, Ill., 5 S.
Stovall, W. G., Memphis, 10 S.
Stover, J. I., Bartonville Va., 40 L.
Strasser, H. G., Grand Island, Neb., 10 S.
Stratton Grain Co., Chicago, 25 L.; 28 S.
Strible, E. M., Aurora, Ill., 1 S.
Stroup, H. B., Calida, Col., 10 S.
Stubblefield, J. A., Amarillo Tex., 17 S.
Stude, Arthur, Harrison, Ark., 2 S.
Studemann, B. N., DeWitt, Iowa, 1 S.
Sullivan, Dan, Ulysses, Kan., 10 L.
Sullivan, John, Phoenix, Ariz., 2 S.
Sumner, T. & Son, Milford, Ill., 5 S.
Sutherland, J. F., Kansas City, 1 S.
Sutherlin, James, Kansas City, 2 S.
Sutton, Lyle, Delhi, Iowa, 5 S.
Sweet, Paul B., Topeka, 10 S.
Swenson, Alfred, Fargo, N. D., 1 L.; 1 S.

T

Takes, John H., Cedar Rapids, Iowa, 10 S.
Tannenbaum, R. A., New York, 5 L.
Tasse, Curt and Erna, Long Island, N. Y., 25 L.; 10 S.
Taylor, Chas., D., Liberal, Kan., 2 L.
Taylor, E. J., Paoli, Col., 20 S.
Terfey, C. H., Ft. St. Louis, Ill., 5 L.
Templeton, Harvey M., Winchester, Tenn., 30 S.
Texhoma Grain Co., Enid, Okla., 5 L.
Thebaud, Casimer L., Miami, 20 S.
Thomas, Frank N., Long Beach, Calif., 20 S.
Thompson, Geo., Five Point, Ill., 1 S.
Thompson, Lemuel, Terre Haute, Ind., 10 S.
Thompson, Mrs. Emmy, New York, 5 S.
Thornburgh, J. E., St. Louis, 5 L.
Timmerman, Adolph A., Iowa City, Iowa, 5 S.
Tipp, J. A., Wichita Falls, Tex., 2 S.
Titus, Martin E., Denver, 1 S.
Tomaits, Fred J., South Bend, Ind., 10 S.
Tongue, Fred J., Santa Monica, Calif., 5 S.
Trading Trust, Chicago, 25 S.
Tri State Milling Co., Rapid City, S. D., 35 S.
Truesdall, Hiram R., Fremont, Ohio, 5 L.
Tubbs Investment Co., Norton, Kan., 50 S.
Turner, F. H., Oklahoma City, 5 S.
Tyner, Dick, Goltry, Okla., 15 S.

U

Uhlman Grain Co., Forth Worth, Tex., 65 L.; 175 S.
Ulhmann, R. Hugh, Kansas City, 100 S.
Ulrich, W., St. Louis, 10 L.
Union Equity Corp., Enid, Okla., 400 S.
Union National Mill, Springfield, Ohio, 300 S.
Universal Mills, Fort Worth, 125 L.; 5 S.

V

Van Dusen, Harrington, Minneapolis, 540 L.
Vanhoweling, A., Plainview, Tex., 10 L.
Vansant, L. R., Houston, 5 S.
Varner, G. N., Ingram, Tex., 10 L.
Varner, Gus N., Ingram, Tex., 10 L.
Varner, Gus N., Ingram, Tex., 10 L.
Vaughan, Dr. J. A., Memphis, 25 S.
Vaughan, Ray E., Miami, 8 S.
Venohr, Wm., Sterling, Colo., 15 S.
Vereano, David, New York, 5 L.
Vermeulen, B. or Mrs. F., Chicago, 4 S.
Verter, Louis, Bronx, N. Y., 1 S.
Vodra, Miss Lois B., Dallas, 5 S.
Vogt, Joe, Curley, Neb., 10 S.
Voight Milling Co., Grand Rapids, Mich., 15 L.
Von Dresky, Geo, C., Davenport, Iowa, 95 S.
Von Gulker, Orville, Okeene, Okla., 20 S.
Von Mayrhauser, Kurz, Kansas City, 20 L.
Voshell, D. L., McPherson, Kan., 10 S.
Voynow, Edward E., Chicago, 50 L.

W

Waddell, Grant W., San Diego, Calif., 10 L.
Wagner, Dr. Wm. A., New Orleans, 1 S.
Wagner, John, Cedar Rapids, Iowa, 20 S.
Wagner, Lewis, Dubuque, Iowa, 1 S.
Wahle, R. Henry, Portland, Ore., 1 S.
Walker, C. W., Eskridge, Kan., 50 L.; 50 S.
Walker, Dr. C. W., Eskridge, Kan., 160 L.; 160 S.
Walker, J. W., Sardis, Miss., 1 S.
Walker, John, Hale Center, Tex., 1 S.
Wallace, Clayton J., Chewelah, Wash., 2 S.
Wallack, Phil W., Norton, Kan., 15 S.
Wallingford, E. G., Kansas City, Mo., 145 L.
Walters, Howard S., Lancaster, Ohio, 5 L.
Wang, Yoot May, New York, 15 L.
Ward, Walter D., Topeka, Kan., 10 S.
Warner, Leigh, Cimarron, Kan., 20 L.
Warner, Merle, Cimarron, Kan., 40 S.
Warren, Robrt. H., Walbridge, Ohio, 2 S.
Wayland, L. C., Plainview, Tex., 1 L.; 3 S.
Weadick, L. F., Eaton, Ohio, 15 S.
Weaver, A. B., Lawrence, Kan., 85 L.
Weaver, Chandler, Denver, 2 S.
Weaver, Russell O., Dayton, Ohio, 2 S.
Webb, Chas. T., Wilmington, Ohio, 2 L.
Webb, Ohyler, Center, Texas, 5 S.
Wehner, Clem J., New Cambria, Mo., 2 S.
Wehner, John Delia, Kan., 2 S.
Weigner, Raoul Marie, Long Island, N. Y., 26 L.; 15 S.
Weinberg, Frank, Chicago, 15 L.; 40 S.
Weiner, Baruch, Brooklyn, 5 S.
Weinstein, S. J., New York, 30 S.
Weiss, Nicholas G., Chicago, 10 S.
Weist, Edwrd C., New York, 5 S.
Weitzner H., and Spindel, Dr., New York, 10 S.
Weitzner, Mrs. Frieda, New York, 10 S.
Welk, B. H. Morton, Ill., 1 S.
Wells, Harrison A., Los Angeles, 5 L.
Welsh Elevator Co., Sterling, Colo., 25 L.
Werner, Frank, Chicago, 20 L.
Western Star Mill Co., Salina, Kan., 320 L.
Weston, Jos. H., Wilmington, Calif., 10 S.
Wethey, Arthur H. Jr., Long Beach, Calif., 30 S.
Whipple, Mrs. G. N., Amarillo, Tex., 2 S.
Whitehill, C. C., Chicago, 1 S.
Whitnack, Mrs. Gladys, Grand Fork, N. D., 8 S.
Wieber, P., Lansing, Mich., 15 S.
Wieber, Philip, Lansing, Mich., 5 S.
Wilbanks, C., Fort Worth, Tex., 1 S.
Wilcox, Roscoe G., Lansing, Mich., 1 L.; 2 S.
Williams, C. D., Anthony, Kan., 5 S.
Williams, Dick, Lawrence, Kan., 100 L.; 190 S.
Williams, D. D., Milwaukee, 1 S.
Williams, E. W., Miami, 10 S.
Willis, Geo. W., Terre Haute, Ind., 10 L.; 10 S.
Willrett, J. F., De Kalb, Ill., 10 S.
Wilson, Fred A., Oakland, Calif., 10 S.
Wilson, Fred, Andover, Kan., 2 L.
Wilson, G. L., Springfield, Ill., 3 L.; 3 S.
Wilson, Gussie E., Kansas City, 5 S.
Wilson, R. E., Fort Worth, Tex., 125 L.; 420 S.
Wilson, Robt. L., Ossian, Ind., 20 S.
Wiltshire, Roscoe I., Lansing, Mich., 1 S.
Winchell, Geo., V.,

30.24- 14483

STIMSON SAYS HE FAVORED EARLY ATTACK

DEC 1947

Writes That Marshall Also Backed Plan For 1943 Invasion Of France (N)

New York, Dec. 26 (AP)—Henry L. Stimson, Secretary of War in World War II, revealed today that he urged "sending an overwhelming (American) force to the British Isles and threatening an attack on the Germans in France" two years before the plan for the Allied invasion of France was adopted.

The former Secretary, in his wartime biography, "On Active Service," wrote that he felt such an operation "was the proper and orthodox line of our help in the war," as it would give Hitler battle on two fronts "and heavily stimulate sagging British morale."

Marshall Supported Plan

His biography was written in collaboration with McGeorge Bundy, of Harvard University, and the first installment appears in the January issue of the *Ladies' Home Journal*.

During the two-year period Winston Churchill, British Prime Minister, and his advisers favored increased American commitments in non-European areas to meet the Axis threat in Africa, Southeastern Europe and the Far East, it was related.

Stimson was supported by Gen. George Marshall, then Chief of Staff, the former secretary wrote, saying that if he or Marshall had been Commander in Chief the invasion of France would have been launched one year earlier than it actually took place.

The decision to launch the invasion of North Africa, Stimson wrote, was the result of two rulings, one by the British and the other by President Roosevelt.

Bluff Was Proposed

He said Churchill and his advisers refused to accept a cross-channel invasion in 1942, and Roosevelt insisted there must be some operation in 1942, and the only operation that satisfied both of these conditions was "Torch," the North African assault. Stimson indicated that at the time both he and the War Department staff were displeased with the compromise.

In fact, Stimson said, he became so displeased with British efforts to reverse decisions to invade France that he proposed, as a bluff, that "we will turn our backs on them and take up the war with Japan."

Stimson said the bluff was never tried and acknowledged that "it would not have worked in any case, for there was no real intention of carrying it out" and he supposed the British knew this as well as he did.

time with British high-level objections to the landing in France. Stimson said, that he proposed to Roosevelt that "we turn our backs on them and take up the war with Japan."

British Refuse Again

"But Mr. Roosevelt was not really persuaded, and the bluff was never tried," Stimson continued. "It would not have worked in any case, for there was no real intention of carrying it out."

"At Casablanca in January, 1943, the British again refused to go

Rifts Among War Chiefs Revealed By Stimson

DEC 1947

New York, Dec. 26 (AP)—Former Secretary of War Henry L. Stimson in his wartime biography, "On Active Service," wrote that if he or George Marshall had been the American commander in chief "the invasion of France would have been launched in 1943, one year earlier than it actually occurred.

"Would the war have been ended sooner?" he conjected. "This is a problem in a dozen unknowns. No certain answer is possible, and the matter is here left open."

But Stimson declared that President Roosevelt's decision to land an Allied force in North Africa in the Fall of 1942 was disapproved at the time both by Stimson and the American War Department staff.

The first installment of his biography, written in collaboration with McGeorge Bundy, of Harvard University, appears in the January issue of the *Ladies' Home Journal*.

Maneuvering Described

Describing in detail the behind-the-scenes maneuvering that forced postponement of Operation Bolero, the proposed Normandy landing, in favor of Operation Torch, the assault on North Africa, Stimson said:

"The Torch decision was the result of two absolutely definite and final rulings, one by the British and the other by the President (Roosevelt).

"Mr. Churchill and his advisers categorically refused to accept the notion of a cross-Channel invasion in 1942. Mr. Roosevelt categorically insisted that there must be some operation in 1942. The only operation that satisfied both of these conditions was Torch."

Displeasure Indicated

But Stimson indicated that the compromise displeased both him and Secretary of State George Marshall, then the Army's chief of staff.

He became so exasperated at one time with British objections to the landing in France, Stimson said, that he proposed to Roosevelt that "we turn our backs on them and take up the war with Japan."

British Refuse Again

"But Mr. Roosevelt was not really persuaded, and the bluff was never tried," Stimson continued. "It would not have worked in any case, for there was no real intention of carrying it out."

"At Casablanca in January, 1943, the British again refused to go ahead with any cross-Channel operation in the coming year, and it was, therefore, agreed that the next great move would be to Sicily."

Stimson declared it wasn't until May of 1943 that Roosevelt took a decisive stand and forced Churchill to agree to a Normandy landing in 1944.

"The Prime Minister finally accepted this position, although part of his price was that General Marshall should be assigned to him for a tour of North Africa—ruefully Marshall remarked that he seemed to be merely a piece of baggage, useful as a trading point."

Stimson said he suspected that his "wily English friend" really hoped thereby to convert Marshall to his view of making the Mediterranean the scene of the chief Allied effort but that Marshall remained unconvinced.

Feared 50,000 Would Die

He added that when he himself conferred later with Churchill, the Prime Minister expressed fear that even 50,000 Allied troops landing in France might be swept into the sea by the Germans.

But Stimson said that Churchill, once the die of cross-Channel invasion was cast, became as "magnanimous in reconciliation" as he had been "stubborn and eloquent in opposition."

He described as "wholly erroneous" the belief by some postwar writers that the British preferred a Balkan landing in order to block Soviet Russia, and praised British co-operation.

"The real lesson of World War II was not to be found in any revelations of disagreement," he continued. "Franklin Roosevelt and Winston Churchill established and sustained a wartime collaboration which grew ever stronger in the settlement of successive differences. When all the arguments have been forgotten, this central fact will remain. The two nations fought a single war, and their quarrels were the quarrels of brothers."

Curbs On 'Reds' To Be Debated In Congress

DEC 1947

Washington, Dec. 26 (AP)—Representative Nixon (R., Cal.) said today hearings will start late in January on legislative curbs for Communists built around registering them as "foreign agents" rather than outlawing their party.

Nixon is chairman of a House Un-American Activities subcommittee in charge of developing the legislative program. He plans to call Attorney General Clark as his first witness.

The Californian said he regards a bill by Representative Mundt (R., S.D.) as the most "workable" so far offered for combating Communists by tightening up the laws. It would require them to register as agents of a foreign government.

To Seek Suggestions

A couple of laws are on the books now requiring registration of foreign agents but without specific application to Communist party members. Nixon said he wants to ask Clark for suggestions for improving these statutes or possibly a draft of a complete new law.

Nixon said he does not think outlawing the Communist party is the solution.

Furthermore, he said, he wants to find some method for getting at Communist-front organizations, by putting it up to them to disclose their membership lists, sources of funds, how they spend their money and the names of officers.

"Loyalty" Affidavits

He said he also is interested in tightening up the "loyalty" affidavit now required of Government employés so as to make more certain that Communists are kept off the Federal pay roll.

Government workers now have to sign a document saying they have not belonged to an organization advocating overthrow of the United States Government. Nixon said they ought to be required to state that they are not and never have been Communist party members.

"Under the present system," he said, "a Communist can juggle words and meanings and sign the affidavit with little danger of committing perjury in a legal sense."

Check On Unionists

As a member of the House Labor Committee, the California congressman also suggested the Un-American Activities Committee check to see whether any labor leaders have lied in signing non-Communist affidavits under the Taft-Hartley law.

And the National Labor Relations Board, he said, should publish names of unions whose officials have not signed affidavits disavowing Communist connections.

Officers Are Sent Disability Quiz

DEC 1947

Washington, Dec. 26 (AP)—Questionnaires are on the way today to 2,953 army and navy officers asking details about the disabilities for which they were retired with tax-free incomes.

A House Armed Services subcommittee investigating disability retirements started its first mailing to a list of former officers retired with the rank of colonel—or its naval equivalent of captain—and above.

Chairman Elston (R., Ohio) said the present retirement system "is manifestly unfair" and that his committee's study "will find out all we can about the inequities of the regulations."

Using Duplicate List

Officers retired for disabilities receive three quarters of the pay for the rank at which they retired. The money is income-tax exempt.

A committee clerk said the Army and Navy have furnished the committee a duplicate of the list of retired officers sent to President Truman. It was requested by the White House after a Senate investigating committee dug up the story of Maj. Gen. Bennett E. Meyers, who was retired for disability.

Meyers, a wartime Air Forces purchasing officer, is under Federal indictment on three counts of perjury and three of inducing a civilian associate to commit perjury in connection with the operation of a war subcontracting firm.

May Reach Lower Ranks

The clerk said the committee has requested more information from the Army and Navy, including how long the officer held his retirement grade before he was retired.

"We think that is one of the most significant facts we can have on any disability retirement case," he said.

Subsequent mailings may go as low as the rank of major, and its equivalent, "or perhaps all the way to the bottom," the clerk added.

Elston has said the committee is not interested in officers retired because of battle wounds.

Waiver Question Included

The questionnaire includes these questions:

1. Did you perform active service during any part of World War II as the result of a waiver of your present disability?

2. Have you undergone medical examination or treatment since retirement, either privately or officially, which examination or treatment was occasioned as a direct result of the disability for which you were retired? What were the medical findings?

3. Have you undergone a physical examination for a life insurance policy since the date of your retirement?

Covers Subsequent Jobs

4. Before how many retiring boards did you appear before being approved for disability retirement?

5. What was the nature of your last civilian employment, if any, prior to your entrance upon active duty in World War II?

6. List the places of your civilian employment, if any, since the date of your retirement. Show the periods of employment by dates. State the names and addresses of employers, nature of your work and your rate of compensation.

Elston has said his group will use subpoenas only if officers fail to return their questionnaires promptly.

Veteran Calls German War Bride Pro-Nazi

DEC 1947

His Divorce Petition Says She Reviled U. S., Hoarded Food for Relatives Abroad

CLEVELAND, Dec. 26 (AP).—A forty-year-old war veteran charged in a divorce petition today that his German war bride of three months denounced the United States, studied divorce laws as soon as they were married and secretly hoarded food and clothing to send to relatives in Germany.

Joseph J. Mates, a foundryman, filed the action as a cross-petition to a separate maintenance suit by his wife, Mrs. Elizabeth Ott Mates, twenty-seven.

"My wife would start raving about the fact that America was no good, that the people of Germany were a lot better off under Hitler and that America had robbed Germany of everything she had," Mates said in his petition.

He declared he met her while serving in the 3d Army in Germany and they were married Sept. 20 after he sent her the money to fly from Germany. She left him Nov. 19, he said.

"I found out she was using all my money to buy food and clothing to ship to her relatives in Germany," the petition continued. "After she left me, we found boxes of soap, fats, foods and clothing hidden in the attic and other parts of the house. Everything was wrapped, ready to be shipped to the old country."

He said she later returned with two policemen and attempted to carry away the articles, but they allowed her to take only personal belongings.

Mrs. Mates, in her action, said her mother-in-law had nagged and mocked her until she was forced to flee to the home of friends She was not available for comment today on her husband's suit.

Vet Training Reported At A New High

Washington, Dec. 26 (AP)—More war veterans are in training under Federal programs than ever before, the Veterans Administration said today.

As of November 30 there were 2,800,000 World War II veterans enrolled in educational institutions and training establishments, compared with the previous peak of 2,674,000 last April 30.

The new record included 2,546,000 veterans in schools or in training under the Servicemen's Readjustment Act, popularly known as the G.I. Bill, and 254,000 disabled veterans aided under the Vocational Rehabilitation Act.

Gen. Hawley Takes New Post In Armed Forces

Washington, Dec. 26 (AP)—Maj. Gen. Paul R. Hawley, who streamlined medical treatment for war veterans, is going to try to do the same for the Army, Navy and Marines.

Hawley, due to retire next Wednesday as medical director for the Veterans Administration, said today he had accepted an invitation from James V. Forrestal, Secretary of Defense, to aid in the reorganization of the medical services of the armed forces.

Truman Terminates Five Trade Agreements

Washington, Dec. 26 (AP)—President Truman by proclamation today terminated trade agreements between the United States and five countries effective December 31.

They have been superseded by the general trade agreement reached at Geneva October 30 which goes into effect January 1, 1948.

The agreements terminated are those with Belgium, Canada, France, The Netherlands and the United Kingdom.

Truman Ends Office Of Scientific Research

Washington, Dec. 26 (AP)—The six-and-a-half-year-old Office of Scientific Research and Development was folded up by President Truman today, effective December 31.

He directed the transfer of its personnel and property to the military establishment, which will liquidate it.

Work of the office, which was created by President Roosevelt on June 28, 1941, will be taken over by the Research and Development Board set up under the Defense Unification Act. Dr. Vannevar Bush, who headed the OSRD, is chairman of the new board.

NICARAGUAN BACKS CANAL

Dr. Sevilla Sacasa, Ex-Envoy to U. S., Repeats Somoza Offer

WASHINGTON, Dec. 26 (AP)—The route for a new canal across the Republic of Nicaragua connecting the Atlantic and Pacific Oceans was virtually offered to the United States tonight by Dr. Guillermo Sevilla Sacasa, official spokesman of that nation.

Until last summer Dr. Sevilla Sacasa was the Ambassador of Nicaragua to the United States. He is now the permanent representative of his nation to the United Nations. He is the son-in-law of Anastasio Somoza, for many years President of Nicaragua.

Dr. Sevilla Sacasa issued this statement tonight:

"The possibility of this canal, which has been considered and studied for many years, has always been endorsed by the people of Nicaragua as it will decisively contribute to the defense of the United States and of the whole Western Hemisphere, and will also serve to enhance the channels of world trade."

National Groups Spread A-Lore

DEC 1947

By James Marlow

Washington, Dec. 26 (AP)—At this point, more than two years after the atomic bomb burst on Hiroshima, many individuals and a number of organizations are trying to do a double job:

1. Spread information about the peaceful uses of atomic energy.

2. Make people think about the dangers of atomic war.

David E. Lilienthal, chairman of the Government's Atomic Energy Commission, wants to see more of this done.

Lilienthal Optimistic

And he's optimistic about what Americans will come to know of atomic energy. He has said:

"I can see the time not long off when the terms Geiger counter, radioisotope, the Baruch plan, *alpha* particles, neutron absorption, nuclear reactor—will become just as much a part of common speech and common understanding as carburetor, X-ray and frequency modulation have become in other fields."

The organization doing most to get Americans to know more about atomic energy is called the National Committee on Atomic Information.

It is made up of 60 national organizations.

The announced purpose of the N.C.A.I. is:

"The education of all the citizens of the United States to the social and scientific facts about atomic energy and its significance for the welfare and security of our nation and for all civilization."

'Sky Patrol' To Keep Public Abreast Of Phenomena Urged

DEC 1947

Chicago, Dec. 26 (AP)—A nationwide "Sky Patrol" designed to recognize promptly whether some object that might appear in the heavens is a war machine or just some explainable natural phenomenon, was proposed today before the American Association for the Advancement of Science.

"In these days of international tension," declared Dr. C. C. Wylie, of the University of Iowa, "our country should have the means of recognizing promptly authentic reports of V-2 bombs, high speed planes, or bomb-carrying balloons seen in the air.

Matter Of Public Confidence

"A report of such an object would be lost now in the mass of (astronomical) material which is ignored or investigated by persons without proper training."

[Wylie did not specify in his prepared report whether he meant mechanisms that might be launched by a foreign country, or mechanisms that might be under test by the United States.]

Addressing the section on astronomy at the association's one hundred and fourteenth meeting, the Iowa astronomer declared:

"The present failure of scientific men to explain promptly and accurately flaming objects seen over several states, flying saucers and other celestial phenomena which arouse national interest is causing the public to lose confidence in the intellectual ability of scholars.

"The mass hysteria over simple, but unexplained phenomena is bad for the morale of the country. Many of these reports refer to detonating and stone-dropping meteors, and information on these would be of great value to astronomy."

As for "flying saucers," Wylie gave this view:

"The first reports were not investigated, so far as we know, but they suggest that certain pilots saw what we—and no doubt many of you—have seen.

"In driving west in the morning hours, if an airplane crosses the road some distance ahead, the sunlight reflected from its windows may obliterate the outline of the plane, giving the appearance of a round or oval, and brilliant, spot of light moving about in the sky. Later reports obviously referred to various other things, and even to tricks played by pranksters."

Traced To Natural Phenomena

Declaring that he and a group of Iowan colleagues had worked out a system in several mid-Western states for promptly interviewing persons who reported seeing something unusual in the sky, Wylie said it had been possible to trace various apparitions to natural phenomena.

He recommended that the American Meteoritical Society work out such a program on a national basis, with volunteer co-operation from science teachers in schools and colleges and from volunteers working for the United States Weather Bureau.

Plutonium Sickness Discussed

Chicago, Dec. 26 (AP)—Workers in atomic energy might accidentally swallow small amounts of plutonium, the explosive for atomic bombs, with little harm, scientists of the health division of the Los Alamo (N.M.) scientific laboratories said today.

There would be much greater danger to their health if the plutonium got into their blood through cuts or wounds, or if they breathed air contaminated with plutonium, Wright H. Langham told an American Chemical Society conference at the one hundred and fourteenth meeting of the American Association for the Advancement of Science.

Half Of It Lodges In Bones

Plutonium is absorbed extremely poorly from the gastro-intestinal tract, he explained. Much more of it is absorbed by the bones, liver and other organs when it is injected into the bloodstream or muscles of animals. Half or more of it lodges in the bones. There it interferes with the production of red blood cells, leading to anemia.

Regardless of how plutonium was given to animals, a very small percentage of the total dose, about one one hundredth per cent, is given off in the urine after a few days' time. Langham said this would make it possible to tell how much plutonium had got into the body of an exposed worker. Such a test might sometime become useful in treating persons with plutonium sickness.

'Give-A-Day' Drive Set To Aid Needy Children

Lake Success, Dec. 26 (AP)—Whole populations are going to be asked to "give one day" to aid needy children, Chester Bowles, chairman of the International Advisory Committee for the United Nations Appeal for Children, said today.

Bowles, who announced he will leave for Europe on January 2 to help speed the appeal, said contributions would consist either of one day's pay or its equivalent in labor. He said national committees were expected to be set up in 38 countries.

30.24- 14485

EDITORS:
ATHENS--SECOND NIGHT LEAD GREEK, FOLLOWING MAY BE INSERTED AFTER SECOND GRAPH BEGINNING , "AT KONITSA X X X" AND ENING "THE ARMY'S."
THE KONITSA PUSH WAS BELIEVED TO BE AN ATTEMPT TO TAKE OVER THE TOWN FOR THE CAPITAL OF THE NEWLY PROCLAIMED COMMUNIST GOVERNMENT.
NEAR AGRINION, X X X, THIRD GRAPH.
TA1227AES

athens, dec. 26-(ap)-Markos Vlfiades, the guerrilla chieftain who has proclaimed a communist state in [redacted] northern greece is a [redacted] convert to communism who has made a career of violent political agitation. DEC 1947

the mysterious [redacted] mustached guerrilla "general" is known to be an energetic and efficient administrator who has complete faith in ruthless discipline and in the communist party.

the army has been hunting the elusive [redacted] for months [redacted] the past [redacted] days [redacted] in intensive search for his "capital," the army wishes he would [redacted] define just what he claims as independent territory, so that the search might be narrowed down.

the greek government has expected that vlfiades would proclaim his capital somewhere in the region of florina, near the yugoslav border.

last july dmetrios maximos, then premier of the royalist greek

U. N. Yule Holiday Ends With Dinner

DEC 1947

Three-Day Experiment Called 'Huge Success'

BINGHAMTON, N. Y., Dec. 26 (AP).—A country club dinner brought to a close tonight the three-day American Christmas holiday of 175 United Nations Secretariat employees in Binghamton and two neighboring communities.

The group of clerks, typists, interpreters and other workers of the peace organization joined their hosts from approximately 100 homes in Binghamton, Endicott and Johnson City at dinner in the International Business Machines Corporation Country Club.

The adventure in internationalism, a mass "blind date," termed "a huge success" by Major Jan Eisenhardt, chief of U. N. staff activities and welfare, brought the party here Wednesday from Lake Success.

Since Christmas Eve the visitors, from thirty-five foreign countries, dined at tables laden with turkey and trimmings, exchanged presents, walked through snow-covered streets and sat with their newly made American friends before warm hearths.

The dinner program listed Benjamin Cohen, Assistant Secretary General in charge of U. N. public information, as principal speaker.

During their last day, the visitors toured plants of the International Business Machines Corporation, Endicott Johnson Shoe Corporation and Ansco Cameras. Visits also were made to the near-by Vestal Central High School, largest in New York State, and several hospitals.

The party is scheduled to return to New York City by special train tomorrow morning.

[redacted]

DEC 1947

Vafiades is 41 years old, five feet seven inches tall, [redacted]

DEC 1947

and sinewy. He has steely blue eyes and wavy chestnut hair.

4 HE WAS IN SALONIKA

[redacted] in 1946 when the guerrilla bands in the north were beginning in earnest their attacks against government forces. Vafiades slipped from his hideout and joined the guerrillas in september of that year. within a month he became commander-in-chief of all the guerrilla forces.

there has been speculation that vafiades, who uses the nom de guerre of "gen. markos," was appointed commander by some mysterious figure, but georgi yannalis, commander of guerrilla forces in the mount grammos area, said last spring vafiades was "elected" by all guerrilla captains after he had toured their camps.

yannalis since has been reported either to have killed himself or to have been executed at vafiades' order because of differences over the [redacted] of the communist movement.

Making headed also, the armed forces of the eam (national liberation front), [redacted] in western macedonia during

VAFIADES

DEC 1947

[redacted]

30.24- 14487

from that time on his life was a violent one. Greek police records show making has been jailed at least eight times since 1929 on charges of making seditious speeches, provoking riots, agitating strikes robbery and carrying false identification papers.

DEC 1947

THE NEWSPAPER PYRITIKA, WHICH CALLS ITSELF INDEPENDENT, DECLARED THIS WAS A "LOGICAL CONSEQUENCE OF ALL THAT HAS HAPPENED SINCE DECEMBER, 1944, WHEN PRIME MINISTER CHURCHILL ORDERED GEN. SCOBIE TO FIGHT WITH TANKS AND PLANES AND BOMBS AGAINST GREEKS IN ATHENS."add-Belgrade-(yugo hails regime)-xxx support.

(LEFTIST GUERRILLAS IGNORED ORDERS OF THE PAPANDREOU GOVERNMENT TO DISARM AFTER THE GERMANS WERE DRIVEN FROM GREECE LATE IN 1944, AND BRITISH TROOPS UNDER LT. GEN. R. M. SCOBIE WAS ORDERED TO ASSIST IN CURBING VIOLENCE IF NECESSARY. SHOOTING BETWEEN ELAS UNITS AND BRITISH TROOPS BROKE OUT DEC. 5. THE WARFARE RAGED FOR ABOUT 40 DAYS. THEN THE ELAS AGREED TO TERMS.)

WB25PES

LONDON, SATURDAY, DEC. 27-(AP)-THE NEWS CHRONICLE'S BERLIN CORRESPONDENT, DENIS WEAVER, SAID TODAY A SOVIET-SPONSORED "CENTRAL GERMAN ADMINISTRATION" FOR THE EASTERN ZONE, HITHERTO CENTERED IN BERLIN, WOULD SHORTLY BE MOVED TO LEIPZIG. HE QUOTED "WELL-GROUNDED REPORTS."

TA1131PES

PARIS, DEC.26-(AP)-CONTRIBUTIONS OF AMERICANS TO THE FRIENDSHIP TRAIN WILL GIVE ADDITIONAL FOOD TO MORE THAN 500,000 FRENCH SCHOOL CHILDREN AND 100,000 AGED PERSONS FOR SIX TO NINE WEEKS, IT WAS ANNOUNCED TODAY.

ROBERT H.BLAKE, DIRECTOR OF AMERICAN AID TO FRANCE AND CHAIRMAN OF THE FRIENDSHIP TRAIN COMMITTEE, MADE THE ANNOUNCEMENT OF THE UPWARD REVISION OF AID ESTIMATES AT A NEWS CONFERENCE. PREVIOUSLY, IT HAD BEEN STATED THAT THE SUPPLIES WOULD GIVE AN ADDITIONAL MEAL A DAY TO 320,000 CHILDREN. THERE ARE 4,500 TONS OF FRIENDSHIP FOOD TRAIN ASSIGNED TO FRANCE.

1S426PES

DEC 1947

PARIS, DEC. 26-(AP)-COMMUNIST LEADER JACQUES DUCLOS SUCCEEDED TODAY IN SLOWING DOWN DEBATE IN THE NATIONAL ASSEMBLY ON FRANCE'S NEW BUDGET. HE FORCED TIME-CONSUMING VOTES ON TWO SECONDARY ISSUES.

THE ASSEMBLY WILL CONTINUE DEBATE TOMORROW.

TA1131PES

HUNGARIAN (GEN)

BY DANIEL DE LUCE

BUDAPEST, DEC 26-(AP)-ALTHOUGH THE HUNGARIAN PEACE TREATY WENT INTO EFFECT MORE THAN THREE MONTHS AGO, SOME 25,000 SOVIET TROOPS, INCLUDING TACTICAL FORCES, RANGING FROM TANK MEN TO FIGHTER PILOTS STILL ARE BILLETED ON HUNGARIAN SOIL.

THE PEACE TREATY CALLED FOR RUSSIAN FORCES TO BE REDUCED TO "LINES OF COMMUNICATION" UNITS BY DEC.15, BUT THE PACT CONTAINS NO DEFINITE SOVIET COMMITMENT ON THE NUMBER OF TROOPS NEEDED FOR THAT PURPOSE.

OBSERVERS SAY THAT SINCE HUNGARY IS NOW A SOVEREIGN POWER WHOSE COMMUNIST GOVERNMENT CAN MAKE ANY ARRANGEMENT IT DESIRES WITH THE RED ARMY COMMAND, THE WESTERN POWERS ARE UNABLE TO MAKE A DIPLOMATIC ISSUE OF WHAT ACTUALLY IS CONTINUED RUSSIAN OCCUPATION OF THE STRATEGIC AREA OF WESTERN HUNGARY.

GOVERNMENT OFFICIALS HAVE REFUSED TO COMMENT ON THE SITUATION, BUT OBSERVERS DECLARED THAT AMERICAN AND BRITISH NEGOTIATORS FAILED IN PARIS LAST YEAR TO SETTLE WITH RUSSIAN FOREIGN MINISTER V. M. MOLOTOV ON A PRECISE FIGURE FOR COMMUNICATION TROOPS NEEDED HERE TO MAINTAIN SUPPLY LINES TO OCCUPIED AUSTRIA.

WHEN THE TREATY BECAME EFFECTIVE, ALLIED MILITARY REPRESENTATIVES ESTIMATED THE RUSSIAN LINES OF COMMUNICATION WOULD NOT REQUIRE MORE THAN 2,000 MEN FOR PRACTICAL DUTY AND THAT 5,000 WOULD BE A "GENEROUS" FIGURE.

HUNGARIANS ARE PUZZLED AS TO HOW TANKS AND PLANES MIGHT BE NEEDED IN MAINTAINING THE TRANSPORT SYSTEM PERMITTED BY THE TREATY. SOME WHO HAVE DISCREETLY ASKED RUSSIAN SOLDIERS ABOUT THEIR STATUS HAVE BEEN INFORMED THAT THE SOVIET FORCE IS REMAINING AN "ADDITIONAL THREE MONTHS AT THE INVITATION OF THE HUNGARIAN GOVERNMENT."

SOME 9,000 TROOPS OF RUSSIAN ARTILLERY ARE GARRISONED AT THE TOWNS OF SZENT ENDRE AND PILISCABA WITHIN 15 MILES OF BUDAPEST. ARMORED DETACHMENTS COMPRISING 10,000 MEN WITH AT LEAST 50 TANKS ARE BILLETED AT SZOMBATHELY AND 3,000 ARTILLERY AND ANTI-TANK TROOPS ARE AT KOSZEG.

SOME 300 FIGHTER PLANES ARE STILL AT PAPA, AND 100 NEAR VESZPREM.

THE ONLY SOVIET ARMY PERSONNEL WHICH APPEAR ENTIRELY CONCERNED WITH LINES OF COMMUNICATIONS ARE 1,000 ENGINEERS AT KAMAROM AND A SIMILAR FORCE AT GODOLLO.

MANY RUSSIAN SOLDIERS HAVE BROUGHT THEIR WIVES TO HUNGARY.

MK403AES

DEC 1947

MOSCOW--FIRST ADD REVALUATION (A97) X X X AWAITING TRIAL.

THE DECREE OF REVALUING MONEY AND TAKING ALL GOODS OFF RATIONING WAS PUBLISHED TEN DAYS AGO.

IZVESTIA AND PRAVDA, THE TWO LEADING MOSCOW NEWSPAPERS, BOTH DEVOTED THEIR MAIN EDITORIALS TO A CALL FOR IMPROVEMENT IN THE RETAIL TRADE SYSTEM. PRAVDA COMPLAINED OF LINES FORMING BEFORE STORES, A LACK OF SCALES AND GENERAL DISORDER IN ARRANGING RETAIL STAFFS AT PLACES.

IZVESTIA SAID CERTAIN AREAS DID NOT HAVE ENOUGH RETAIL OUTLETS. A DISTRICT IN THE DONBASS WAS SAID TO HAVE BUT TWO BREAD STORES FOR 50,000 PERSONS. MOST OF THE SPACE WITHIN THE EDITORIALS, HOWEVER, WAS DEVOTED TO PRAISE OF THE NEW SYSTEM.

BJ140PES

TOJO INTERPRETIVE (320)

BY RUSSELL BRINES

TOKYO, DEC. 26-(AP)-HIDEKI TOJO HAS ASSUMED AN OLD ROLE-- THAT OF THE TOUGH AND ARROGANT PRIME MINISTER WHOSE IRON HAND PUSHED JAPAN TO HER GREATEST MOMENT OF POWER.

THE LEADER OF A JAPAN AT WAR IS NO LONGER THE "CROWN PRINCE OF DEFEAT" AS HE TAKES THE STAND IN HIS OWN DEFENSE BEFORE AN INTERNATIONAL TRIBUNAL NAMED BY THE POWERS WHICH CRUSHED HIS COUNTRY.

IN HIS MANNER AND IN THE TONE OF HIS AFFIDAVIT, NOW BEING READ BY HIS ATTORNEY, HE IS THE TOJO OF OLD.

HIS ONLY CRIME WAS IN LOSING THE WAR. FOR THAT, IN HIS AFFIDAVIT, HE APOLOGIZES TO HIS EMPEROR. THE WAR INTO WHICH HE LED JAPAN WAS "IN SELF DEFENSE" AGAINST "AGGRESSION" BY THE WESTERN POWERS.

A LOT OF JAPANESE STILL BELIEVE THAT VERSION OF THE BITTER PACIFIC WAR. IT RECALLS TO THEM THE EMPEROR'S SURRENDER BROADCAST OF AUG. 15, 1945, WHICH GAVE MORE ATTENTION TO "RIGHTEOUS" CAUSES OF WAR THAN REASONS FOR SURRENDER.

TWO YEARS AGO TOJO GRUNTED "LET ME DIE" AS HE LAY GROANING IN HIS OWN BLOOD AT HIS TOKYO HOME. WHEN THE OCCUPATION OFFICERS CAME TO ARREST HIM HE TRIED TO KILL HIMSELF WITH A REVOLVER.

"IT IS NOT RIGHT," HE MUTTERED THEN, "FOR THE FORMER HEAD OF A STATE TO FACE TRIAL."

THE JAPANESE RIDICULED HIM THEN FOR FAILING TO DIE. THEY SAW HIS BLUNDERING SUICIDE ATTEMPT AS THE CROWNING FAILURE OF A LITTLE MAN WHO HAD "BETRAYED" THEM.

NOW TOJO IS ONE OF THE HEALTHIEST MEN IN THE COURTROOM. HE HAS BEGUN TO SPEAK TO THE INTERNATIONAL JUDGES, THROUGH HIS AFFIDAVIT, IN ALMOST THE SAME DEFIANT LECTURING TONES HE ONCE USED ON HIS PEOPLE.

IN HIS DAYS OF POWER, TOJO WAS EXALTED AS A PERFECT EXAMPLE OF ALL THE QUALITIES A JAPANESE ARMY OFFICER SHOULD HAVE -- DEVOTION TO THE EMPEROR, INFLEXIBILITY, COMPLETE ABSENCE OF CONSCIENCE.

HE EMPLOYS SOME OF THOSE CHARACTERISTICS AGAIN IN WHAT MAY BE HIS LAST SPEECH TO THE JAPANESE. HE IS ON TRIAL FOR HIS LIFE.

HIS AFFIDAVIT CARRIES THE SAME SLOGANS AND ARGUMENTS HE USED AS JAPAN'S MOST POWERFUL COMMONER FIVE YEARS AGO, WHE IMPERIAL ARMIES WERE SWEEPING ALL BEFORE THEM.

DEC. 1947

IN TOKYO THEN, TODAY'S INTERNATIONAL RECKONING MUST HAVE SEEMED REMOTE INDEED.

RA557AOS

ON THE THIRD POINT, ALFARO SAID THE U.S. TENDENCY TO ASK FOR PERMANENT OCCUPATION OF THE BASES WAS CENTERED IN RIO HATO AIR BASE.

IN 1940, HE RECALLED, THE U.S. SOUGHT A 999-YEAR LEASE THERE, AND CONVINCED HIM "THAT WHAT REALLY WAS SOUGHT WAS A BASE FOR PERPETUITY AT RIO HATO AND THE ESTABLISHMENT THEREIN OF WHAT VIRTUALLY WOULD BECOME A SECOND CANAL ZONE." add - Panama - xxx concession

ALFARO SAID REJECTION OF THE AGREEMENT WAS "NOT THE WORK OF FOREIGN NATIONS NOR COMMUNISM NOR HATRED AGAINST THE UNITED STATES NOR FAILURE TO LIVE UP TO CONTRACTUAL OBLIGATIONS NOR LACK OF A SENSE OF SELF-CONSERVATION."

"THIS HAS BEEN A REAFFIRMATION OF PANAMA'S NATIONAL SENTIMENT," HE DECLARED, "WHICH DEMANDS MUTUAL RESPECT, FRIENDSHIP AND CONFIDENCE WHICH MUST PREVAIL IN RELATIONS BETWEEN THE TWO MOST CLOSELY LINKED PEOPLES IN THE WORLD."

WB1031PES

BY LUIS NOLI

QUARRY HEIGHTS, PANAMA CANAL ZONE, DEC. 26-(AP)-U.S.TROOPS WORKED IN SHIFTS AROUND THE CLOCK TODAY TO EXPEDITE THEIR WITHDRAWAL FROM DEFENSE SITES IN PANAMA. THE NATIONAL ASSEMBLY HAS REFUSED TO RATIFY AN AGREEMENT FOR THEIR FURTHER USE BY THE UNITED STATES.

CARIBBEAN COMMAND HEADQUARTERS SAID THE OPERATION WOULD CONTINUE ON A 24-HOUR DAY SCHEDULE UNTIL THE MEN AND ALL THE MATERIEL ARE MOVED.

THE EVACUATION IS NOW IN THE PACKING AND CRATING STAGE. HUGE AMOUNTS OF MILITARY EQUIPMENT, RANGING FROM COMPLICATED RADAR SETS TO COMMON KITCHEN UTENSILS, ARE BEING INVENTORIED AND PACKED FOR TRANSFER TO THE TEN-MILE WIDE CANAL ZONE STRIP.

THE BURDEN HAS FALLEN TO THE CARIBBEAN AIR COMMAND. ALL THE 13 BASES INVOLVED EXCEPT SAN JOSE ISLAND HAVE BEEN FUNCTIONING UNDER THE AIR ARM COMMAND. SAN JO E HAS BEEN USED FOR EXPERIMENTS IN CHEMICAL WARFARE.

SOME BASES ARE SMALL AIRCRAFT WARNING STATIONS. A FEW ARE SMALL AUXILIARY AIR FIELDS. BUT RIO HATO, THE MAJOR AIR BASE, IS BIG ENOUGH TO HANDLE THE B-29 SUPERFORTRESSES.

AIR COMMAND HEADQUARTERS SAID IT WAS UNABLE TO SAY WHEN THE EVACUATION WOULD BE COMPLETED BECAUSE OF THE ENORMOUS AMOUNT OF MILITARY AND AVIATION MATERIEL WHICH MUST BE DISMANTLED, PACKED AND TRANSPORTED.

THE ABANDONMENT OF RIO HATO IS THE BIGGEST PROBLEM. HEAVY EQUIPMENT SUCH AS LARGE MECHANICAL SHOPS HAS TO BE TAKEN DOWN AND CRATED. WORK SHOPS, ENGINEERING SHOPS AND MAINTENANCE SHOPS HAVE TO BE MOVED.

THE AIR COMMAND REQUISITIONED EIGHT LARGE TRANSPORTATION BARGES TO TAKE AWAY THE HEAVY EQUIPMENT AND THE 600,000 OR SO GALLONS OF AVIATION GASOLINE ON HAND AT RIO HATO.

EVERY METHOD OF MILITARY TRANSPORTATION IS BEING USED.

SOME AIR WARNING STATIONS ARE LOCATED DEEP IN THE JUNGLE AND THEIR EQUIPMENT MUST BE MOVED DOWN RIVERS ON FLAT BOTTOMED BARGES TO THE OCEAN FOR TRANSFER TO ARMY VESSELS.

THE BULK OF EQUIPMENT FROM SOME OF THE LARGER SITES IS BEING CARRIED OUT IN THE FOUR-ENGINED C-54 TRANSPORT PLANES WHEN NECESSARY.

TRUCKS, INCLUDING HUGE DEISEL VEHICLES, ARE BEARING THE BURDEN OF THE OPERATION AT SITES WHICH CAN BE REACHED ONLY BY ROAD.

ONE PROBLEM IS WHAT TO DO WITH THE LARGE ASSORTMENT OF MONKEYS, DEER OTHER ANIMALS AND EVEN SNAKES WHICH SOLDIERS HAVE ADOPTED AS PETS. THE EVACUATION OF THESE PROBABLY WILL BE LEFT TO THE INDIVIDUAL MEN'S INGENUITY.

DEC. 1947

TROOPS THUS FAR MOVED FROM SAN JOSE AND RIO HATO HAVE BEEN PLACED ON HOWARD FIELD, A P-80 "SHOOTING STAR" JET PLANE STATION, AT FORT CLAYTON, A LARGE INFANTRY POST; AND AT COROZAL, A LARGE ENGINEERING POST. ALL ARE ON THE PACIFIC SIDE OF THE ISTHMUS.

THE WOMEN ARMY CORPS DETACHMENT AT RIO HATO WILL BE MOVED TO ABROOK FIELD, WHERE ANOTHER WAC UNIT IS NOW STATIONED.

A FLIGHT OF P-61 "BLACK WIDOW" NIGHT FIGHTER PLANES IS BEING TRANSFERRED FROM RIO HATO TO FRANCE FIELD, ANOTHER MAJOR AIR BASE ON THE ATLANTIC SIDE OF THE CANAL ZONE.

30.24- 14489

RIO DE JANEIRO, DEC 26-(AP)-LUIS CARLOS PRESTES, BRAZILIAN COMMUNIST LEADER, LAUDED THE PANAMA NATIONAL ASSEMBLY TODAY FOR WHAT HE CALLED A "FIGHT AGAINST THE OPPRESSION OF TRUMAN-MARSHALL IMPERIALISM."

THE ASSEMBLY REFUSED UNANIMOUSLY MONDAY TO RATIFY AN AGREEMENT TO LEASE THE UNITED STATES 14 BASES ON PANAMANIAN SOIL FOR DEFENSE OF THE PANAMA CANAL.

PRESTES, SECRETARY-GENERAL OF WHAT ONCE CLAIMED TO BE THE BIGGEST COMMUNIST PARTY IN SOUTH AMERICA, SAID IN A TELEGRAM TO THE PANAMA LEGISLATURE:

"WE BRAZILIAN COMMUNISTS SALUTE A HISTORIC DECISION FOR THE DEFENSE OF THE NATIONAL SOVEREIGNTY OF PANAMA THAT STIRS THE AMERICAN HEARTS OF ALL PEOPLES OF THE CONTINENT. X X X

"THE EXAMPLES OF PANAMA WILL SERVE TO STIMULATE OUR FIGHT AGAINST THE REACTIONARY GOVERNMENTS OF DUTRA, VIDELA, TRUJILLO, MORINIGO, ETC., THAT ALL BOW TO YANKEE IMPERIALISM."

(EURICO GASPAR DUTRA IS PRESIDENT OF BRAZIL, GABRIEL GONZALES VIDELA OF CHILE, RAFAEL TRUJILLO OF THE DOMINICAN REPUBLIC AND HIGINIO MORINIGO OF PARAGUAY.)

VX847PES DEC 1947

ITO

HAVANA, CUBA, DEC.26-(AP)-THE HAVANA TRADE CONFERENCE WENT BACK TO WORK TODAY ON A CHARTER FOR AN INTERNATIONAL TRADE ORGANIZATION, WITH NO SIGN THAT MAJOR DIFFERENCES WILL BE SETTLED IN THE NEAR FUTURE.

TODAY'S SCHEDULED MEETINGS WERE CONFINED TO SUBCOMMITTEES, WHICH ARE HANDLING THE BASIC CHORES OF TRYING TO MOLD AN ACCEPTABLE DOCUMENT FROM A PROPOSED CHARTER AND SEVERAL HUNDRED SUGGESTED AMENDMENTS.

EARLIER THIS WEEK, THE CONFERENCE REACHED ITS FIRST GREAT CRISIS IN A STALEMATE OVER THE QUESTION OF HOW FORCEFULLY THE ITO SHOULD BAN THE USE OF "QUANTITATIVE RESTRICTIONS," SUCH AS QUOTAS AND LICENSES IN INTERNATIONAL TRADE.

DELEGATIONS OF HIGHLY INDUSTRIALIZED COUNTRIES HAVE INSISTED THAT SUCH RESTRICTIONS MUST NOT BE INVOKED WITHOUT PRIOR APPROVAL OF THE ITO. THOSE FROM MOST OF THE UNDERDEVELOPED COUNTRIES HAVE DEMANDED JUST AS STRONGLY THAT THEY BE PERMITTED TO APPLY SUCH RESTRICTIONS AS THEY THINK NECESSARY TO PROTECT YOUNG AND GROWING INDUSTRIES.

SOME OF THE UNDERDEVELOPED COUNTRIES, NOTABLY AUSTRALIA AND LIBERIA, HAVE URGED A CURB ON QUANTITATIVE RESTRICTIONS, POINTING OUT THAT SMALL COUNTRIES WILL SUFFER MORE THAN LARGE ONES IF THE NATIONS OF THE WORLD ENGAGE IN MUTUAL EXCLUSION OF ONE ANOTHER'S PRODUCTS.

HEADS OF THE DELEGATIONS OF 63 ATTENDING COUNTRIES MET IN A LONG, BUT FUTILE, CHRISTMAS EVE SESSION TO ATTEMPT A SOLUTION OF THE CRISIS, WHICH MANY DELEGATES INDICATED MIGHT WRECK THE HOPES FOR AN ITO.

JT336AES NM HKP

WASHINGTON, DEC. 26-(AP)-PRESIDENT TRUMAN DESIGNATED SECRETARY OF STATE MARSHALL TODAY TO SUPERVISE THE $540,000,000 (MILLION) EMERGENCY WINTER RELIEF PROGRAM FOR FRANCE, AUSTRIA, ITALY AND CHINA.

THE THREE EUROPEAN NATIONS WILL SHARE $522,000,000 IN STOPGAP AID, PRINCIPALLY FOOD, FUEL AND OTHER LIVING NECESSITIES. CONGRESS PROVIDED $18,000,000 FOR CHINA.

MARSHALL'S APPOINTMENT WAS MADE IN AN EXECUTIVE ORDER LATE TODAY.

VX943PES

NIGHT LEAD SPECULATION

BY OVID A.MARTIN

(ADVANCE FOR USE AT 7 P.M.EASTERN STANDARD TIME TONIGHT, FRIDAY, DEC.26)

(ADVANCE) WASHINGTON DEC.26-(AP)-A LIST OF 1,240 TRADERS IN WHEAT WAS MADE PUBLIC BY THE AGRICULTURE DEPARTMENT TONIGHT BUT IT THREW NO IMMEDIATE LIGHT ON THE HOT QUESTION OF WHETHER GOVERNMENT OFFICIALS USED "INSIDE INFORMATION" TO REAP SPECULATIVE PROFITS.

(END ADVANCE FOR USE AT 7 P.M.EST TONIGHT,FRIDAY DEC.26)

FR922PES

A164WX

BULLETIN MATTER DEC 1947

(ADVANCE FOR USE AT 7 PM EST TONIGHT FRIDAY DEC.26)

(ADVANCE) WASHINGTON FIRST ADD NIGHT LEAD SPECULATION XXX PROFITS.

NAMED ON THE LIST WERE PERSONS WHO WERE ACTIVE IN THE WHEAT FUTURES MARKET ON THE CHICAGO BOARD OF TRADE ON APRIL 30,1946.

THE DEPARTMENT DID NOT IDENTIFY ANY OF THE NAMES AS TO OCCUPATION AND ADMINISTRATOR J.M.MEHL OF THE COMMODITY EXCHANGE ADMINISTRATION--AGENCY WITH LIMITED AUTHORITYY TO REGULATE THE FUTURES MARKET--TOLD A NEWS CONFERENCE HE DID NOT KNOW WHETHER ANY GOVERNMENT OFFICIALS WERE ON IT.

"I HAVE NOT CHECKED IT TO DETERMINE THAT," HE SAID.

REPORTERS SCANNING THE LIST COULD FIND NO NAMES OF GOVERNMENT OFFICIALS KNOWN TO THEM. THERE WERE ONLY FOUR SMALL TRADERS LISTED WITH A WASHINGTON ADDRESS. ONE OF THEM WAS A NAVY LIEUTENANT COMMANDER WITH 10,000 BUSHELS.

THIS IS THE SECOND LIST RELEASED BY THE DEPARTMENT SINCE CONGRESS LAST WEEK ADOPTED LEGISLATION DIRECTING THAT THE NAMES OF ABOUT 14,000 TRADERS ACTIVE IN THE FUTURES MARKETS DURING THE PAST TWO YEARS BE MADE PUBLIC.

HAROLD E.STASSEN, CANDIDATE FOR THE REPUBLICAN PRESIDENTIAL NOMINATION, AND SOME MEMBERS OF CONGRESS HAVE CHARGED THAT "GOVERNMENT INSIDERS" HAVE BEEN PROFITEERING IN THE MARKETS AS RESULT OF INSIDE INFORMATION.

THE FIRST LIST INCLUDED THE NAME OF EDWIN W.PAULEY, ASSISTANT TO THE SECRETARY OF THE ARMY. PAULEY HAD PREVIOUSLY TOLD A CONGRESSIONAL COMMITTEE OF HIS MARKET OPERATIONS. HE STATED THAT HE DID NOT ACT ON ANY INSIDE INFORMATION AND THAT HE HAD DISPOSED OF MOST OF HIS HOLDINGS AFTER TAKING THE GOVERNMENT POST.

166WX DEC 1947

RELEASE OF THE NEW LIST CAME SHORTLY AFTER SECRETARY OF AGRICULTURE ANDERSON CALLED UPON MORE THAN 600 BROKERAGE FIRMS TO REPORT TO THE DEPARTMENT WHETHER ANY GOVERNMENT OFFICIALS--FEDERAL, STATE OR LOCAL--OR IMMEDIATE MEMBERS OF THEIR FAMILIES TRADED IN FUTURES COMMODITIES BETWEEN JAN.1,1946 AND DEC.15,1947.

ANDERSON SAID THIS CALL "CONSTITUTES ANOTHER AND ADDITIONAL MEASURE DIRECTED TO THE PURPOSE OF DETERMINING THE IDENTITY OF ANY GOVERNMENTAL EMPLOYES WHO MAY HAVE BEEN SPECULATING IN COMMODITIES."

more

ANDERSON SAID HIS DEPARTMENT AND VARIOUS OTHER GOVERNMENT AGENCIES ALREADY ISSUED QUESTIONNAIRES DIRECTING ALL KEY EMPLOYES TO FILE STATEMENTS CONCERNING ANY SUCH TRADING WHICH THEY MAY HAVE ENGAGED IN DURING THE PAST TWO YEARS.

ASKED HOW CONGRESS WOULD KNOW WHETHER ANY GOVERNMENT OFFICIALS WERE ON TODAY'S LIST MEHL MERELY REPLIED: "THE LIST SPEAKS FOR ITSELF."

THE CEA HAS PREVIOUSLY REPORTED THAT 71 LOCALS, STATE AND FEDERAL OFFICIALS WERE AMONG TRADERS IN WHEAT ON THE CHICAGO MARKET ON SEPT. 17, 1947. MEHL SAID THE SEPT. 17, 1947, LIST OF TRADERS WILL BE THE NEXT TO BE MADE PUBLIC AND THAT IT WILL CONTAIN THE NAMES OF THESE OFFICIALS.

TODAY'S LIST INCLUDED TRADERS WHO HELD EITHER SPECULATIVE OR HEDGING (NON-SPECULATIVE) POSITIONS IN WHEAT ON THE CHICAGO MARKET ON APRIL 30, LAST YEAR. THE LIST LUMPED TOGETHER ALL TRADING POSITIONS--WHETHER SPECULATIVE OR HEDGING--AND THERE WAS NO WAY OF TELLING WHETHER ANY PARTICULAR INDIVIDUAL WAS SPPECULATING.

MOST OF THOSE ON THE NEW LIST WERE SMALL TRADERS--THAT IS, THOSE WHO BUY AND SELL IN VOLUMES OF LESS THAN 200,000 BUSHELS. TRADERS WHO BUY AND SELL IN LARGER VOLUMES THAN THIS ARE CLASSIFIED BY THE DEPARTMENT AS "BIG" TRADERS. THEY ARE REQUIRED TO REPORT THEIR OPERATIONS TO THE DEPARTMENT.

THE FIRST LIST CONTAINED THE NAMES OF 711 BIG TRADERS IN ALL REGULATED FUTURES MARKETS ON OCT. 31, 1946, AND OCT. 31, 1947.

THE NEW LIST WAS TAKEN FROM BOOKS OF BROKERS AT A TIME WHEN SPECULATIVE ACTIVITY IN GRAINS WAS MUCH LESS PRONOUNCED THAN IT HAS BEEN DURING THE PAST SEVERAL MONTHS. AT THAT TIME WHEAT WAS STILL UNDER WARTIME PRICE CONTROL AND WORLD SUPPLIES OF GRAIN--PARTICULARLY PROSPECTIVE SUPPLIES--WERE MORE PLENTIFUL THAN DURING THE PAST SUMMER AND FALL.

A175WX DEC 1947

MEHL SAID THAT A LARGE PROPORTION OF THOSE ON TODAY'S LIST HELD SPECULATIVE POSITIONS--THAT IS, THEY WERE INVESTING IN THE BELIEF THAT THEY COULD MAKE A PROFIT ON A PRICE CHANGE.

A PERUSAL OF THE LIST INDICATED THAT MORE TRADERS WERE ON THE "SHORT" SIDE OF THE MARKET THAN ON THE "LONG" SIDE.

A "LONG" TRADER IS ONE WHO BELIEVES THAT PRICES WILL GO HIGHER. HE CONTRACTS TO BUY, AT PRICES PREVAILING AT THE TIME OF HIS PURCHASE, A SPECIFIED QUANTITY OF A COMMODITY FOR DELIVERY AT A FUTURE DATE. IF PRICES DO ADVANCE, HE MAKES A PROFIT EQUIVALENT TO THE DIFFERENCE BETWEEN HIS PURCHASE PRICE AND THE PRICE PREVAILING AT THE DELIVERY DATE.

A "SHORT" TRADER BELIEVES PRICES WILL GO DOWN. HE CONTRACTS TO SELL FOR DELIVERY AT A FUTURE DATE, BUT AT PRICES CURRENT AT THE TIME HE SIGNS HIS CONTRACT. IF PRICES GO DOWN HE PROFITS. IF THEY GO UP HE LOSES.

MUCH OF THE SPECULATIVE TRADING DURING THE PAST SUMMER AND FALL HAS BEEN OF THE "LONG" CATEGORY. AN INTENSIFIED WORLD SHORTAGE OF GRAIN CAUSED BY POOR CROP WEATHER IN EUROPE AND IN THIS COUNTRY, HAS LED MANY TRADERS TO ENTER THE MARKET WITH EXPECTATION OF MAKING MONEY ON RISING PRICES.

TODAY'S LIST IS ONE OF 11 WHICH CONGRESS HAS REQUESTED. OTHERS INCLUDE NAMES OF TRADERS--BIG AND SMALL--WHO WERE IN THE VARIOUS FUTURES MARKETS AT THE TIME THE CEA MADE SPECIAL SURVEYS OF MARKET OPERATIONS DURING 1946 AND 1947.

OFFICIALS SAID IT IS THEIR PLAN TO MAKE THE LISTS PUBLIC IN CHRONOLOGICAL ORDER FOR EACH COMMODITY ON WHICH A SURVEY WAS MADE. COMMODITIES COVERED INCLUDE WHEAT, CORN, COTTON AND EGGS.

UNDER THIS ARRANGEMENT, THE NEXT LIST WOULD INCLUDE ALL TRADERS IN THE WHEAT MURKET AT CHICAGO ON FEBRUARY 28,1947. NEXT IN LINE WOULD BE THOSE IN THE SAME MARKET ON SEPT. 17,1947--THE LIST WHICH THE DEPARTMENT HAS SAID INCLUDES THE NAMES OF 71 FEDERAL, STATE AND LOCAL OFFICIALS.

(END ADVANCE FOR USE AT 7 P.M.,EST,FRIDAY,DEC. 26)

HY629PES

SAN FRANCISCO,DEC.26-(AP)-MONETT B.DAVIS, UNITED STATES CONSUL GENERAL AT SHANGHAI, ARRIVED HERE TODAY ENROUTE TO WASHINGTON AND DECLARED "THE ONLY WAY THIS COUNTRY CAN HOPE TO BUILD A STABLE ASIA IS THROUGH A CONSTRUCTIVE, NON-DEFEATIST ATTITUDE."

DAVIS, IN AN INTERVIEW, SAID HE WANTED TO GIVE THE AMERICAN PEOPLE AN IMPRESSION OF OPTIMISM ABOUT THE FAR EAST BECAUSE THEY HAD BEEN RECEIVING TOO MANY CONFUSING AND PESSIMISTIC STORIES.

HE SAID HE AGREED WITH RECENT REPORTS THAT EXTERNAL AID FROM THE UNITED STATES WAS A RELATIVELY SMALL FACTOR IN ANY ASIATIC RECOVERY.

"WITHOUT THE ENERGETIC, WHOLE-HEARTED COOPERATION OF THE PEOPLES THEMSELVES, SUCH AID IS WORTHLESS. TOO MUCH EMPHASIS HAS BEEN PLACED ON THE EXTENT OF EXTERNAL ASSISTANCE."

(WASHINGTON DIPLOMATIC SOURCES SAID BRIG.GEN.FRANK T.HINES HAD RESIGNED AS AMBASSADOR TO THE PANAMA REPUBLIC, AND THAT DAVIS WAS UNDER CONSIDERATION TO SUCCEED HIM.)

DAVIS AND HIS WIFE CELEBRATED TWO CHRISTMASES ON A 48-HOUR PLANE TRIP TO THE UNITED STATES. THEY WERE IN ST.NICK'S TERRITORY TWICE--ONCE ON EACH SIDE OF THE INTERNATIONAL DATELINE.

THE DIPLOMAT WILL SPEND SEVERAL WEEKS ON THE STATE DEPARTMENT'S SENIOR SELECTION BOARD. IN SHANGHAI SINCE APRIL 1946, DAVIS IS HOME FOR RE-TRANSFER. DEC 1947

HIS SUCCESSOR IN SHANGHAI IS JOHN CABOT OF THE MASSACHUSETTS CABOTS.

DV816PCS

NEW YORK, DEC. 26-(AP)-GENERAL FENG YU-HSIANG, WHO REFUSED TO RETURN TO CHINA DESPITE AN ORDER FROM GENERALISSIMO CHIANG KAI-SHEK, APPARENTLY HAS TURNED TOWARD COMMUNISM, THE NEW YORK HERALD-TRIBUNE DECLARED IN AN EDITORIAL TODAY.

THE FAMED "CHRISTIAN GENERAL" OF CHINA "HAS BEEN PRAISING THE CHINESE COMMUNISTS AND HAS BEEN ASSOCIATING WITH AMERICANS OF LEFT WING PERSUASION," THE PAPER SAID IN AN EDITORIAL TITLED "FENG TURNS PINK."

"IT SEEMS UNFORTUNATE THAT HE HAS NOT USED HIS GREAT VIGOR AND PRESTIGE TO SEEK REFORM IN NANKING INSTEAD OF TURNING TOWARD THE REDS WHO ARE LIKELY TO USE HIM AS AN INNOCENT TOOL FOR A TIME AND THEN CAST HIM ASIDE," THE HERALD TRIBUNE SAID. "WHEN HE SEES HOW LITTLE THE CHIANG GOVERNMENT HAS DONE FOR THE PEASANTS OF CHINA, HE APPARENTLY BECOMES SO ANGRY THAT HE TURNS TO SOMETHING POTENTIALLY MUCH WORSE-- COMMUNISM-- AND THUS REPEATS A MISTAKE THAT HAS BEEN MADE BY OTHER CHINESE IN THE PAST."

TU1113AES

30.24- 14491

NIGHT LEAD SCIENCE (AMS BUDGET) (350)
BY ALTON L.BLAKESLEE
ASSOCIATED PRESS SCIENCE REPORTER

CHICAGO,DEC 26-(AP)-ONE WAY TO WHIP INFLATION AND THE HIGH COST OF LIVING, MERELY WITH PIECES OF OLD NEWSPAPER, WAS REPORTED TODAY BY ABRAHAM L.GITLOW OF NEW YORK UNIVERSITY'S DEPARTMENT OF ECONOMICS.

IT'S A STORY OF SHELL MONEY LOSING VALUE, JUST LIKE AMERICAN DOLLARS AND RUSSIAN RUBLES, AND OF A MISSIONARY RESCUED FROM POVERTY BY NEWSPAPERS SUDDENLY WORTH FIVE POUNDS OF POTATOES FOR HALF A PAGE.

IT HAPPENED AMONG THE MOUNT HAGEN TRIBES IN CENTRAL NEW GUINEA, GITLOW TOLD THE ANTHROPOLOGY SECTION OF THE AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE, WHICH OPENED ITS WEEK-LONG ANNUAL MEETING TODAY.

INFLATION HIT THE TRIBES, WHICH ARE "ONE OF THE LAST IN THE WORLD TO COME UNDER THE INFLUENCE OF MODERN INDUSTRIAL SOCIETY," WHEN WHITE MEN CAME IN 1933, HE SAID.

THE NATIVES USE SHELLS AS MONEY. GOLD-LIPPED SHELLS AND LARGE SAUCER-SHAPED ONES ROUGHLY CORRESPOND TO DOLLARS, WHILE SMALLER ONES WERE LIKE PENNIES AND NICKELS. THE WHITE MEN BROUGHT IN SO MANY SHELLS TO PAY FOR LABOR THAT THE SHELL MONEY DEPRECIATED IN VALUE. BUT THE NATIVES STAYED ON THE "SHELL STANDARD."

ONE SHELL USED TO BUY A 200-POUND PIG. WITH SHELLS MORE PLENTIFUL, THE NATIVES HIKED PRICES. TWO SHELLS FOR A PIG--A SMALLER PIG. SOME OF THE NATIVES BECAME MILLIONARIES. JINGLING SHELLS, THEY WENT TO NEARBY TRIBES, BUYING PIGS AND WIVES. A CHIEF COULD AFFORD TO BUY 10 WIVES, INSTEAD OF ONLY THREE.

WITHIN THE HAGEN AREA, HOWEVER, THE DEPRECIATION OF SHELLS PUT THE LOCAL MISSIONARY, FATHER ROSS (FULL IDENTIFICATION UNAVAILABLE) IN BAD STRAITS, GITLOW SAID. HE DIDN'T HAVE ENOUGH SMALL-SIZED SHELLS FOR SMALL PURCHASES.

DEC 1947

BUT HE DID HAVE SOME OLD NEWSPAPERS AND MAGAZINES, AND THE NATIVES HAD GROWN FOND OF U.S. CIGARETTES--PAPER-WRAPPED ONES--WHEN AMERICAN SOLDIERS HAD BEEN STATIONED THERE. THEY WANTED PAPER TO USE FOR THEIR HOME-GROWN CIGARETTES, INSTEAD OF WRAPPING THE TOBACCO IN A LEAF, AS THEY FORMERLY HAD DONE.

A BRISK TRADE FLOURISHED, AND IN A SINGLE DAY FATHER ROSS REPORTED GETTING A TON OF FOOD FOR OLD NEWSPAPER PAGES, GITLOW SAID. THE MISSIONARY LETS THE NATIVES SET THE RATE OF EXCHANGE, "WHICH IN PRACTICE IS BASED ON THE SIZE OF PAGES OF THE NEW YORK TIMES."

"A QUARTER SHEET OF THIS NEWSPAPER WILL BUY THREE POUNDS OF SWEET POTATOES, OR TWO SIX-FOOT LENGTHS OF SUGAR CANE, OR EIGHT EARS OF CORN, OR A LARGE BUNDLE OF FIREWOOD. A HALF SHEET OF THE NEW YORK TIMES OBTAINS A LARGE BUNDLE OF SUGAR CANE, OR A LARGE BUNDLE OF BANANAS, OR ABOUT FIVE POUNDS OF POTATOES, OR A HALF DAY'S LABOR CUTTING THE MISSION STATION'S LAWN."

ALL THIS SHOWS, GITLOW SAID, THAT MANY THINGS MUST BE CONSIDERED IN STUDYING THE ECONOMIC SYSTEM OF SUCH A SOCIETY, LIKE PHYSICIAL ENVIRONMENT, INSTITUTIONAL FORCES, CUSTOM, HABIT, TRADITION, AND MOTIVES, AND "MODERN ECONOMIC ANALYSIS COULD PROFIT FROM THE LESSONS TO BE LEARNED AS A RESULT OF SUCH STUDIES."

WHAT NEWSPAPER INK TASTES LIKE IN A CIGARETTE, THE MISSIONARY DIDN'T SAY.

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GREEKS EASE PRESSURE ON KONITSA BY SMASHING SIX GUERRILLA POSITIONS

DEC 1947

Government Troops Expected To Start Big Drive Today

L.S Charlotte

Athens, Dec. 27 (AP)—Greek army reinforcements destroyed more than half a dozen guerrilla strongpoints tonight in a drive to open the road to besieged Konitsa where front dispatches reported 44,000 refugees sought shelter from the fire of Communist 66-millimeter guns.

Under cover of darkness the Government rushed more troops and heavy arms into the snow-covered highlands of Epirus for a massive assault at dawn, the advices added.

NIGHT

Bitter fighting between the Communist guerrillas and Greek army troops was reported all along the Ioannina-Konitsa road from a point north of Kalpaki. The Communists hung doggedly to their remaining roadblocks as part of their startegy to seize Konitsa near the Albanian border as the "capital" of their shadowy new "free state."

Heavy Fighting Around Bridge

Although outgunned by the guerrillas, the garrison at Konitsa was described as putting up a stubborn defense of the town. The army commander in the town, Brig. Constantine Dovas, was giving orders from a hospital bed after being wounded. His men crumpled six powerful Communist attacks.

Heavy fighting raged around the Bourozani bridge, west of Konitsa on the Ioannina road. Government forces must wrest this passageway from the Communists to break open the guerrilla ring at Konitsa.

Silencing of two guerrilla artillery batteries relieved some of the pressure on Konitsa. It was not certain whether these guns had been destroyed by Greek planes thrown into the battle or whether the guerrillas had exhausted their ammunition. The batteries were said to be on Greek soil only 2½ miles from the Albanian frontier.

Dawn Attack Slated

Hill 915, the key defense point around Konitsa, still was held by the town's garrison. Troops on that Hill broke the back of the initial Communist attack two days ago.

The front spread into the mountains on either side of the Ioannina-Konitsa road, sections of which have been mined by the Communists.

In the face of mounting pressure from Government troops guerrillas held their positions at Ano Ravenia on the west side of the road and in the Grambala area east of the highway.

Major General Assimakis was reported concentrating his forces in Kalpaki, 20 miles north of Ioannina, for the dawn attack. His relief column consisted of fresh troops sent into northwestern Greece from Macedonia.

A Refugee Problem

Local authorities in Ioannina said arrival of the Macedonian units brought the situation "under control." These officials faced a refugee problem of their own since more than 40,000 persons had fled to Ioannina from the battle area.

Frank Shea, information officer of the American aid program, estimated the Communists had 4,000 guerrillas distributed in Epirus on the eve of their attack. Informed quarters in Athens expressed the opinion the guerrillas would be reinforced.

Shea, who was in Ioannina immediately before the guerrilla drive, said he had been told by officials there that the Communists were trying to take all of Epirus and occupy Ioannina.

In one village, he said, fourteen youths forcibly were recruited by the Communists and dispersed through various units before being killed to demonstrate discipline by the guerrilla captains.

Snow Hampers Movements

Guerrillas are seizing the families of those forcibly recruited and moving them in caravans behind them, Shea said. He added that this was done to discourage desertion since the recruits know that members of their families are being held as hostages.

Snow hampered the movements of Government troops in the fighting to reopen highway communications with Konitsa.

A 3d Army communiqué said 95 guerrillas were killed and 63 taken prisoner in northern Greece during the last 24 hours. Scores of guerrillas reportedly were killed when they were trapped in barbed wire.

Quick Military Decision Unlikely

Markos Vifiades, the mustached guerrilla "general," has thrown more than 2,000 men into the fighting. Government military authorities said the Communists who captured the Bourozani bridge undoubtedly came from Albania. Konitsa itself is only 5 miles from the border.

There was speculation that the guerrillas were particularly anxious to capture Konitsa to make it the capital of the shadowy Communist Greek state which Vifiades proclaimed on Christmas eve.

Fighting Spreads As Greece Acts To Ban Reds

DEC 1947

L.S Charlotte

Athens, Dec. 27 (AP)—Fighting between the Greek Army and Communist guerrilla units continued in the Konitsa-Ionnina region of northwestern Greece today as the Government reportedly rushed plans for outlawing the Communist party.

DAY

Greek troops, fighting up the main highway from Ioannina, made contact with guerrillas holding the vital Bourozani bridge in the Konitsa area, key to the main communications line from Ioannina.

Guerrilla forces, meanwhile, were reported employing artillery and mortars extensively in an effort to prevent any reinforcement of the Konitsa garrison, which already has been attacked three times and is in a state of semi-siege.

Reinforcements Rushed

A brigadier named Assimakis was driving forward with fresh troops rushed in from western Macedonia to relieve the garrison whose wounded commander, Brig. Constantine Dovas, has been directing the defense of the town from a hospital bed.

A 3d Army communique said 95 guerrillas were killed and 63 taken prisoner in northern Greece during the past 24 hours. Scores of guerrillas reportedly were killed when they unknowingly moved into barbed-wire entanglements.

Severe fighting was in progress north of Kalpaki, 20 miles north of Ioannina, where the main highway forks northeast to Konitsa. Guerrillas, offering fierce resistance from hills covering the road, were being steadily pushed back with heavy losses.

Many Casualties

The most violent fighting occurred along this road to the Bourozani bridge, 11 miles west of Konitsa. Several attempts by guerrillas to infiltrate through a mountain pass in this region resulted in many casualties, reports said.

Advancing Government relief forces slashed a strong guerrilla defense point 5 miles northeast of Kalpaki, and military authorities claimed the units which captured the Bourazani bridge had come from Albania.

Four 25-pound field guns have been firing steadily on guerrillas who reportedly have made at least six powerful attacks in the Konitsa region, including three unsuccessful thrusts on the town itself.

Rebel Losses High

Press reports from Agrinion, 100 miles south of Konitsa, said more than 200 casualties were inflicted on a 1,500-man guerrilla force which barricaded itself in the village of Kato Proslova, 12 miles to the east. The reports said this operation had "ended," indicating that a large number of guerrillas had managed to infiltrate through the army cordon during the night.

In Athens, the Government, reacting to the proclamation of a Greek Communist state, was said to be preparing to pass a law outlawing the Communist party and certain other Leftist groups. The new law reportedly would be based on a similar one enacted under the late Premier Eleutherios Venizelos, but with more severe penalties. The old law has not been enforced in recent years.

The Co-ordinating Council, legislating while Parliament is in recess, was expected to approve the law at noon and make it effective within ten minutes by publishing it in the Government *Gazette*.

Army Artillery Weak

Premier Themistokles Sophoulis informed United States Chargé d'Affaires Karl Rankin last night that the Greek Army needed strengthening. Authoritative sources had reported that the army's artillery fire power had been greatly exceeded by that of guerrilla units.

Yesterday's unsuccessful guerrilla attacks were aimed at Konitsa, some 5 miles south of the Albanian border, and Agrinion. The drive on Konitsa was believed to be aimed at establishing the town as the capital of the newly proclaimed Communist Government.

Counterattack Expected

Military leaders in Athens said they expected a heavy Government counterattack within 48 hours in the Konitsa area. They said the insurgents were attempting to win territory for the Communist Greece proclaimed early this week by Gen. Markos Vifiades.

Government quarters said they were surprised that the United States, committed to aid Greece with $300,000,000 in military and other supplies, had not yet replied to numerous Greek pleas for arms.

United States officials in Athens did not comment.

Gen. Markos, Guerrilla Chief, Is Called 'Energetic, Efficient'

DEC 1947

Athens, Dec. 27 (AP)—Markos Vifiades, guerrilla chieftain who has proclaimed a Communist state in northern Greece, is a convert to communism who has made a career of violent political agitation.

The mysterious, mustached guerrilla "general" is known to be an energetic and efficient administrator who has complete faith in ruthless discipline and in the Communist party.

The Greek Army has been hunting the elusive Vifiades for months. In the past two weeks the army announced an intensive search for his "capital." The army wishes he would define just what he claims as independent territory, then the search might be narrowed down.

The Greek Government has expected Vifiades would proclaim his capital somewhere in the region of Florina, near the Yugoslav border.

DAY

Earlier Plot Suppressed

Last July, Demetrious Maximos, then Premier of the Royalist Greek Government, stated the Communists had evolved a plan for nationwide insurrection called "Plan F." He said the plan had been ordered into effect by Vifiades, but that police intercepted the orders. The Government said the plot was crushed when police rounded up thousands of Leftists in mass arrests.

Vifiades is 41 years old, 5 feet 7 inches tall, lean and sinewy. He has steely blue eyes and wavy chestnut hair.

He was in Salonika in 1946 when the guerrilla bands in the north were beginning in earnest their attacks against Government forces. Vifiades slipped from his hideout and joined the guerrillas that September. Within a month he became a commander in chief of all the guerrilla forces.

"Election" Is Claimed

There has been speculation that Vifiades, who uses the *non de guerre* of "General Markos," was appointed commander by some mysterious figure. But George Yannoulis, comander of guerrilla forces in the Mount Grammos area, said last spring Vifiades was "elected" by all guerrilla captains after he had toured their camps.

Yannoulis subsequently was reported either to have killed himself or to have been executed at Vifiades's order because of differences over the announcement of the Communist Government.

Vifiades headed E.L.A.S., the armed force of the E.A.M. (National Liberation Front), in western Macedonia during the war. When Salonika was liberated, he became an important figure.

The British officers who had contact with him after the Germans left the port city were impressed by Vifiades's obvious ability to get things done.

Born In Asia Minor

Vifiades, described as a dynamic organizer and improviser, controlled Salonika at the time of the liberation through his own secret police organization. During the early days of the liberation, he ordered scores of "anti-Communists" executed.

Vifiades was born in Kastamoni in Asia Minor in 1906. He came to Greece by way of Constantinople

(Istanbul) with the wave of refugees after the unsuccessful Greek campaign against the Turks in 1923.

He became a street peddler, then a shipping clerk and a waiter in a coffee house. When he was a tobacco worker in Kavalla he made his first contacts with the Communists and joined the Communist Youth Movement.

From that time on, his life has been a violent one. Greek police records show Vifidaes has been jailed at least eight times since 1929 on charges of making seditious speeches, provoking riots, agitating strikes, robbery and carrying false identification papers.

lianos Gonatas and other political leaders.

Representative Jonkman (R., Mich.), a member of the House Foreign Affairs Committee, said the announcement of a new Communist state "has been cooking for some time and Russian recognition is the next logical step."

Representative Engel (R., Mich.), who is on the Appropriations Committee, said if additional money is requested for Greece, America's decision should be governed by the "overall picture" of this nation's seeurity requirements.

"We aren't to be bluffed or run out of Greece by those Communists in the north," Engel declared.

"We Can't Pull Out"

Representative Bloom (D., N.Y.),

Russ Recognition Seen Of Greek Red State

DEC 1947

Washington, Dec. 27 (AP)—Several members of Congress predicted today that Russia will increase pressure on Greece by extending official recognition to a new "independent Communist" regime in the northern part of the Mediterranean nation.

Some said the result may be a call for more American millions to shore up Greek resistance to communism. Representative Nixon (R., Cal.) guessed that the Administration might ask as much as $400,000,000.

This would be in addition to the $300,000,000 Greek share of the $400,000,000 Congress appropriated last spring to stiffen resistance against Soviet encroachment in Greece and Turkey.

Greek Army Criticized

Representative Teague (D., Texas), one of those who thinks Russian recognition of the new "state" will be the next move dictated by Moscow, said the situation would never have developed if "the Greek army had made a decent effort to clear up that guerrilla situation."

Markos Vifiades, leader of the forces fighting the Greek Government in the north, proclaimed by radio Wednesday the creation of an independent Communist state, but did not name the boundaries or capital.

"Next Logical Step"

Soon afterward, Athens police announced the arrest of 454 persons accused of a Red conspiracy to assassinate former Premier Sty-

who was Foreign Affairs chairman when the Democrats ran Congress, said the developments do not mean that American efforts to beat back communism in Greece have failed.

"If it were not for our program," he said, "the Communists would have been all over Greece today. If they once get in, it's almost impossible to get them out. It's better to spend a dollar to keep them out than $500 to get them out.

"We can't pull out. This isn't any fifteen-round contest, it's a contest to the limit. We've got to win. If we don't, God help us, that's all. Russia then would be looking at Turkey and the Dardanelles and Egypt and the Suez Canal.

Bloom was among those predicting early recognition of a new Communist state by Russia, Albania, Yugoslavia and Bulgaria.

Britain, Russia Sign Trade Pact

DEC 1947

Moscow, Dec. 27 (AP)—A British-Soviet trade agreement was signed tonight in the Spiridonovka Palace, where the Big Three foreign ministers met in December, 1945.

Ambassador Sir Maurice Peterson, ill of influenza, got out of bed for the first time in almost a week to sign for Great Britain.

A. I. Mikoyan, Minister of Foreign Trade, signed for the Soviet Union.

London, Dec. 27 (AP)—An Anglo-Soviet trade agreement providing for barter of Russian grain for British machinery was signed tonight in Moscow, the Board of Trade announced.

The new trade pact—which the president of the Board of Trade, J. Harold Wilson, told the House of Commons earlier this month had been agreed to "in principle"—ended months of negotiating resumed after a stalemate last summer.

NIGHT

The agreement was signed at 8 P.M. Moscow time, a Board of Trade spokesman said.

In Operation Five Years

He said the pact would be in operation five years. Under it, Britain will receive more than half a million tons of coarse feed grains from Russia's 1947 harvest, with shipment to begin from Black Sea ports about the middle of January.

In return, she will send Russia timber-cutting and transport machinery, civil engineering equipment and heavy electrical machinery, including mobile generating plants.

The spokesman said Russia was uncertain as to the quantity of grain she could supply from subsequent harvests. No wheat is to be included in the early shipments.

Details will be discussed from time to time during the life of the agreement, the next negotiations being scheduled for May, 1948, the spokesman added.

Russia Claims Upper Hand

London, Dec. 27 (AP)—Russia claimed today to be "gaining the upper hand in peaceful competition" with the western powers "capitalistic system" for economic supremacy.

A Moscow broadcast of an article in *Izvestia*, Government newspaper, declared "the victories of the Socialist economy of the Soviet union appear still more vivid against the background of the dislocated capitalist economy."

Summing up what amounted to a Soviet progress report on conditions in countries lining up under the Marshall plan and those going along with the "Molotov plan" of eastern European economic cooperation, *Izvestia* said:

"Not a single capitalist country in Europe at the end of the current year can boast of positive results in postwar reconstruction of economy.

Farsightedness Cited

"Quite a different picture is presented by eastern Europe; the six months which have elapsed since (Secretary of State) Marshall came out with his 'plan' have graphically proved the farsightedness and wisdom of those countries which refused to walk into the American trap."

Country by country, it offered this picture of the results of the "peaceful competition" between the two systems:

BRITAIN—"Marked by a dollar hunger . . . ceding to America one position after another . . . rations have dropped below the wartime level . . . reduced imports and lowered living standards."

The "capitalistic" countries of the Continent—a "dollar hunger" also, "disastrous deterioration" of the food situatian, a decrease in industrial output in many countries, devaluation of currencies and dislocation of state finance.

THE UNITED STATES—No economic progress since the war's end with "unwarranted inflationary soaring of prices and a never-growing gap between prices and wages."

The article presented a rosy picture of conditions within the countries co-operating in full or in part with Russia:

CZECHOSLOVAKIA — "Industrial output has reached 90 per cent of the prewar level. . . . Real wages of workers have considerably increased."

YUGOSLAVIA—"The five-year plan is being put into effect with the people displaying extraordinary labor enthusiasm." Industrial output will increase "threefold"; agricultural produce will grow 50 par cent.

BULGARIA—"Successfully overcoming the economic difficulties caused by the war."

POLAND—"The three-year plan for economic rehabilitation is being on the whole successfully implemented, despite the drought."

HUNGARY AND ROMANIA—"Further achievements have been gained in the rehabilitation of economy. . . ."

RUSSIA ITSELF—Industrial output up during the first nine months of this year 18 per cent over last year's comparable period. A "bumper crop" 58 per cent higher than last year.

BEVIN MAY ACT TO STOP RUSSIA

DEC 1947

Expected to Give Cabinet U. S. Partnership Plan.

F. Singleton

London, Dec. 27 (A. P.).—The British Cabinet will confer on Monday on a tentative plan drawn up by Foreign Secretary Ernest Bevin which may swing Britain over from a mediator's role in post-war world affairs to a "stop Russia" partnership with the United States.

Observers said that Bevin, though irritated by charges of Soviet Foreign Minister V. M. Molotov that Britain is following an imperialistic policy, is nevertheless reluctant to force a showdown which might end Big Four consultations.

Before the breakdown of the Foreign Minister's Conference on Germany Foreign Office spokesmen expressed a conviction that a policy of compromise and conciliation might iron out East-West differences.

DAY

After the parley failed Bevin was reported to have refused to commit Britain when United States Secretary of State Marshall broached a tentative plan to halt delivery to the U. S. S. R. of dismantled industrial plant facilities as reparations from the American zone of Germany.

Other Factors Seen.

Since then a number of other factors have developed, including strong British approval of most of the recommendations in President Truman's presentation of the Marshall Plan, including that for substantial financial aid for Britain. In view of this there is reason to believe that the decision of Bevin and the Cabinet will be swayed in the direction of greater support for American policies.

Another determining factor is British resentment of the increased Soviet campaign of accusations against British-American policies. Also to be taken into account is the guerilla announcement of the creation of a Greek Communist state which may win the support of Soviet-influenced countries.

The contents of Bevin's memorandum to the Cabinet have not been divulged.

Konev Receives Order of Lenin

LONDON, Dec. 27 (AP)—Marshal Ivan S. Konev, Commander in Chief of Russian Army Ground Forces, has received the Order of Lenin, the Soviet Union's highest civil decoration, the Moscow radio said tonight. The announcement said the presentation was made "on the occasion of his fiftieth birthday and to mark his outstanding services to the state and the armed forces of the U.S.S.R."

Puppet Regime in Reich to Move.

London, Dec. 27 (A. P.).—The News Chronicle's Berlin correspondent, Denis Weaver, said today that a Soviet-sponsored "central German administration" for the eastern zone, hitherto centered in Berlin, shortly would be moved to Leipzig.

Poor Brace, Lose 'Face'

London, Dec. 27 (AP)—Now it's the crisis of bursting braces.

In a year Historian Arthur Bryant bought four pairs of braces (suspenders) made under a Government edict limiting the elastic to three inches at the back. "After each occasion," Bryant wrote the *Times*, "the braces have broken irretrievably within three months."

The *Times* editorialized today: "The four freedoms are a hollow mockery if our braces are going to be bursting all the time. No nation can be expected to hold up its head if it is also required to hold up its trousers."

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French Expect Reds To Move Against U.S. Aid Plan In March

DEC 1947

L. Heron

Paris, Dec. 27 (AP) — Well-informed political sources said tonight the Communists are preparing a new co-ordinated move against the Marshall plan in France, Italy, Greece, Turkey and Austria and the French Government is expecting the action to begin in March.

The formation of a Communist state in northern Greece was the preliminary move for more serious action co-ordinated by the Cominform (Communist International Information Bureau), said this informant who is closely linked with the French Government.

Significance Of March Choice

The form the Communist drive will take was still a matter of conjecture, he added, but it may be a new widespread effort to tie up France and Italy especially with a new strike wave in an effort to hinder European recovery and neutralize the effects of American economic aid.

The significance of March as the period of action, he continued, is that that is the month when many Europeans expect Congress may complete action on the Marshall plan. It is the month in which many Europeans will be cold, hungry and in a bitter frame of mind after a hard winter. It also is the month when Gen. Charles de Gaulle is expected to intensify his campaign for dissolution of the National Assembly as a step in his projected rise to power.

Preparations Seem Hurried

Preparing for the expected conflict with the Communists, Jules Moch, Interior Minister, was believed to have initiated a purge of police and administrative personnel this week when he appointed Jean Reymond director of personnel at the ministry.

Moch is a present target of Communist hatred because of his leadership of the police during the recent strikes, and Reymond is well-known for his anti-communism.

The only two Communist prefects in France were removed shortly after the strikes ended.

Preparations on the Communist side appeared to be just as hurried, if only slightly less evident. The party organ, *l'Humanité*, devoted much of its Christmas issue to a current drive for new Communist members.

Party enthusiasm has been reported flagging since the end of the strikes.

The secession of about 1,000,000 anti-Communists from the General Confederation of Labor (CGT) because of the Communist-led strikes, has led the CGT to initiate an extraordinary effort to get new members.

A Government informant said an order from the Communist party central committee had gone out to rush preparations to be ready for "any eventuality from January 15 on." There was no confirmation of this order from Communist spokesmen.

The Government informant said a tightening up in organization was being undertaken by the Communists in Italy.

Two other developments of significance in French politics took place in the last week of 1947. The first was the announcement by followers of General de Gaulle of the organization of a youth movement to be known as the *"Rassemblement de la Jeunesse Francaise."* The second was the split in the French labor movement brought about by organization of the anti-Communist "workers force" under the leadership of Leon Jouhaux.

Attributed To Strike

Both movements can be attributed to the recent month-long strike which all but wrecked France's fuel and transportation systems. The "Workers Force" stems directly from a split Jouhaux had with Communist labor leaders during the strike. The youth movement, observers feel, stems from the strength de Gaulle camp leaders claim following a marked turn to the right in French public opinion.

When Communist elements in the National Confederation of Labor formed a strike committee and began issuing orders to the unions without consulting Jouhaux, the veteran French organizer led 1,000,000 of his followers from the Communist-dominated CGT, estimated at between 5,000,000 and 6,000,000 members.

In the last week Jouhaux has been organizing the new group and there is talk of holding a constituent congress to form the central organization of a trade union that will be in direct opposition to the Communists. (ADD)

REGIME HELD UP TO GERMANS

DEC 1947

'Evolution' In West Expected To Take Several Months

W. Gallagher

Berlin, Dec. 27 (AP) — The "evolution" of a western German government probably will be a matter of months rather than weeks.

Authoritative sources in Berlin said if such a government is to be created at all, reluctant German political leaders rather than the British-American Military Government will have to take the initiative in sponsoring it.

The Soviet Union, the informants said, will be given a "last chance" to join the Western powers during each of the successive steps which threaten to split Germany between the East and West.

Merging of the French zone with the British-American bizone to form a western "trizonia" is not an immediate prospect since neither the United States nor Great Britain are willing to woo France with "concessions."

Fashioned By Situation

The British-American policy has been fashioned more by the situation found in Germany and Europe after the breakdown of the four-power Foreign Ministers Conference in London rather than by any planning boards in London and Washington. It is hoped the program will achieve two main aims:

The first is to avoid any breakdown in existing four-power machinery in Germany. It is aimed at avoiding any action which the Soviet could seize upon as a cause to repudiate four-power control and retaliate by setting up at once a government for "all" of Germany in their eastern zone and recognizing it as the "only" real German government. This would create a "second Greece" in the heart of Europe. In the opinion of top Western diplomatic and military men here such a development would be a "long step" toward another world war.

Each Run By Commander

The second aim is that by a policy of "evolution" rather than by military government "decree" enough government machinery will come into being in western Germany sufficient to take care of economic recovery without the political partitioning of the nation.

No one, not even the framers, have any proof the policy will succeed since the Russians have given no indication of what their reaction will be.

At present this is the situation in Germany.

The nation is split into four occupation zones. Theoretically the policies for all of Germany are formulated by the four-power Allied Control Council in Berlin, but it has not been able to agree on a single import measure for all of Germany in the past two years. Practically, then, each zone has been run by its occupation commander according to his Government's directives.

Thumbnail Sketches

This has resulted in four Germanys. In thumbnail, they might be described as follows:

SOVIET EASTERN ZONE—For practical purposes a one-party political state dominated by the Soviet-sponsored, Communist-controlled Social Unity party. Economically the only self-supporting of the four zones, it has been drained by Russia for reparations. About 200 of its main factories have been formed into a Soviet trust and the rest are being changed to state ownership.

AMERICAN ZONE—Politically operated by state governments with main control in the hands of the slightly Right Christian Democratic party and the Socialist Social Democrats. Minority factions are the far Right Liberal Democrats and the far Left Communists. Economically it is a deficit zone with the military government standing for free enterprise by leaving the final choice of socialization up to the German people.

BRITISH ZONE—Politically more Socialist than the American zone with Britain's Labor Government leaning toward nationalization of key industries but willing to leave the final choice to the Germans. The zone is potentially rich in industrial strength due to the Ruhr, but is overpopulated and heavily deficient in foodstuffs.

FRENCH ZONE — Smallest and poorest of the four zones with the Saar amputated and put into the French economy. It is tightly controlled politically and economically by the French Military Government.

Common Economic Program

Britain and the United States merged their zones and set up a bizonal German economic council to work out a common economic program designed to make the two zones self-sufficient. It is this bizonal economic council which is expected to form the basis for any western government.

The new British-American policy calls for a gradual strengthening of the economic council's powers and a subsequent enlargement in membership.

The initial move may be to give the council police and court powers to enforce its economic decisions on the German states in the bizone area which have strong powers. Depending on developments, the council later may be enlarged to the size of a "legislative" body and afterward given some of the powers of a parliament.

This is as far as the present policy contemplates and it is expected to take some months to reach this stage.

At each step of the way the British-American proposals will be put before the Allied Control Council with an invitation to Russia to concur. If the Russians veto the proposal it will be put into action in the West without four-power approval.

Currency reform—issuance of a new currency—is the first of these measures expected to precipitate the first four-power "crisis" within 30 to 60 days. Gen. Lucius D. Clay, American military governor, has announced that he will ask once more in the control council for four-power agreement on monetary reform for all of Germany. If the Russians refuse—as they have for the past ten months—the reform will be put in effect on a bizonal basis.

This will mean subsidiary steps such as "customs" between the Russian zone and the western zone, border controls and other measures. For all economic purposes, Germany will become two separate countries instead of one.

The only hint of possible Russian reaction to any such measure has come from the official Soviet Military Government paper, *Taegliche Rundschau*, which carried a veiled threat that measures by the Western powers to create a separate bi- or trizona in the west would mean the end of four-power rule in Berlin.

It is believed by some officials that the Russians are prepared to match Western developments step by step. For example, if the western zones institute currency reform, the eastern zone will immediately produce a new currency of its own.

Retaliation Expected

Other military government officials feel, however, the first western step of any kind, such as currency reform, immediately will result in not only a similar step in the East but, also, in the Soviet creation of a separate German Government and the voiding of the four-power government, on the charge that British-American decision has made such action necessary.

In this event, Britain and the United States are expected to abandon their slow, cautious "evolution" program for quick counter-measures. The program of "evolution" rather than immediate "decreeing" of a western German government has been conditioned by two factors other than Russian opposition.

Major Party Support

German political leaders in the West drew back at any separate western government, on the grounds they would be charged with destroying the hope for German unity. It is the American and British feeling that no such government has a chance for success unless it has the unified support of the major western German political parties. The initiative must come from the Germans themselves.

Secondly, the French and British, generally speaking, are much more reluctant toward putting political power into the hands of the Germans than the American. This has served as a brake on one faction of the American Military Government urging quick development of a western German state.

Minimum French Price

While welcoming a French merger with the British-American area, Britain and the United States are not prepared to pay a "price" for such a merger. At London Georges Bidault, French Foreign Minister, indicated the minimum French price would be British-American commitments on a separate regime for the Rhineland and a tight direct control of the Ruhr.

A considerable number of American and British economists urge that France must come in only on the present British-American terms. They point out that the French zone is small and a heavy deficit area, that its incorporation would entail a new dollar drain on the United States and jeopardize fulfillment of the British-American aim to make Bizonia self-sufficient by 1951.

Perhaps the most explosive factor in the entire German tinderbox is this wrecked, dismal four-power capital itself. Divided into four sectors, the Americans, Russians, British and French live side by side in a sea of jittery, rumor-conscious Germans.

For a long time the East-West breakups at international council tables had little effect on the genial four-power personal relations established over council and dinner tables in Berlin.

Attacks Less Restrained

But in the past four months, with the breakup in London as the climax, there has been a marked change for the worse. Soviet officials have accepted fewer and fewer invitations from Western officials. By official order Soviet dependents

1947

and families have been drawn into "closed" compounds for living purposes, seldom meeting any nationals of the other powers or even the Germans.

The Russians suddenly and bluntly refused to participate in this year's annual four-power ball—top social event of the year. The Soviet-controlled press and radio has become less and less restrained in its attacks, referring to Americans and Britons as "Fascists" and "imperialists." This undoubtedly has had an effect on propaganda-conscious Soviet officials and particularly on their young impressionable troops.

Arrests of Americans have become more and more frequent in the Soviet sector of Berlin, although under four-power laws they are supposed to be able to move freely. Tear gas was thrown into an American train moving from Berlin through the Russian zone.

American, British and French commanders fear more serious incidents which could raise a crisis overnight.

Reich To Handle U.S.-German Radio

DEC 1947

Berlin, Dec. 27 (AP) — Equipped for the first time with radioteletype, the German Post Office (Deutsche Post) will begin handling all radiotelegraphic messages between Germany and the United States, including those from and to the occupying forces, effective January 1.

On that date American commercial companies now handling occupational forces telegraphic traffic will cease operation in Germany. Only Press Wireless, Inc., will remain here to handle American press, radio and radiophoto traffic.

The Deutsche Post will receive from and transmit to New York from its radio station in Frankfurt-on-Main. Two-way radioteletype service between those points was recently installed.

U.S. Short-Waving Into Russ Zone

DAY

Frankfurt, Germany, Dec. 27 (AP). Short wave broadcasts designed to reach Germans in the Russian occupation zone were inaugurated here today by the American Military Government of the state of Hesse.

"There are, unfortunately, areas in Germany today where, as in the past, freedom of speech is being suppressed through a one-party political system," said Herbert C. Gross, chief of the radio branch of the Information Control Division, in the initial broadcast.

Sees Courage Revived

"Listening to radio programs from areas outside of the influence of this one party is being frowned upon," Gross said. "As you all know from personal experience, this sort of thing only increases the desire to hear that which is not permitted. We hope that these people will receive new courage and hope by listening to radio Frankfurt by short wave."

Dr. James R. Newman, United States military governor of Hesse, said the broadcasts were "in line with its desire to see full information on all the burning topics of the day made available to the largest possible number of people."

On 2 Wave Bands

The short-wave broadcasts, duplicating the entire program which the station airs daily over standard wave length, will be continued by military government even after the station is turned over to German operation next year. Four-power occupation rules forbid German operation of short-wave transmitters.

New Constitution For Italy Signed

ROME, Dec. 27 (AP).—President Enrico de Nicola signed the constitution of the Italian Republic today.

The charter becomes effective Jan. 1.

Italy Signs New Charter

DAY

Rome, Dec. 27 (AP)—A solemn ceremony today marked the signing of the constitution for the new Italian Republic.

It was signed by Chief of State Enrico De Nicola and becomes effective on January 1, 1948. The Government will resume its work December 30 when the Council of Ministers reconvenes.

Meanwhile, Communists mobilized their forces throughout for a new assault on Premier Alcide de Gasperi's Government.

The Leftist press hailed the "free Government of Greece" and the Communist newspaper *L'Unita* assailed what it called Pope Pius XII's "most violent Christmas Eve speech."

DAY

In another development, a Defense Ministry spokesman defended the record of Gen. Taddeo Orlando, Under Secretary of the Army, whom the Yugoslav Government has demanded for trial on war-crimes charges.

The Foreign Ministry said it had no comment on the Yugoslav demand for extradition of another Italian wanted for the same charge in Yugoslavia.

Poles Doom 2, Jail 5 Others As Traitors

DEC 1947

DAY

FALLEN

Warsaw, Dec. 27 (AP)—Two convicted underground leaders, charged with supplying State and military secrets to American and British diplomats, were sentenced today to die as traitors. Five other defendants drew prison terms as spies.

The condemned men are Waclaw Lipinski, 51, an ex-army colonel and former director of the Polish Army's Historical Institute, and Wlodzimierz Marszwski, 56, one-time member of the Polish Military Mission and former attaché of the Polish Embassy in Washington.

The military tribunal gave life terms to Wincenty Kwiezinski, 31, former chief of staff of the WIN underground in Poland; Mrs. Helena Sosnowska, 51, prewar Polish radio employé and Stalislaw Scjiak, 34, ex-army officer and a former district commander of the WIN.

Translator Gets 15 Years

Mrs. Maria Marynowska, 56, prewar translator for the American Consulate in Warsaw and postwar translator for British Embassy, was sentenced to twelve years' imprisonment. Adam Ovarski, 42, ex-chief of the press division of the Polish Ministry of Reconstruction, was given fifteen years.

The five men and two women defendants constituted the co-ordination committee for underground organizations in Poland seeking to overthrow the Warsaw regime, it was charged.

It was also charged the defendants were involved in the collection of secret economic, political and military information which was handed over to Victor Cavendish-Bentinck and Arthur Bliss Lane, the former British and American ambassadors, respectively.

U.S. Colonel Cited

Lieut. Col. Edward J. York, of San Antonio, Texas, formerly American air attaché here, also was named by the court in reading the sentences as having received underground information.

The military prosecutor charged that the defendants received foreign money to finance underground activities in Poland.

Murder Charge Lodged For Slaying Of Envoy

Stockholm, Sweden, Dec. 27 (AP). District Attorney Otto Meier said Giuseppe Capocci, 39-year-old Italian citizen, was charged tonight with murder for the Christmas-Day stabbing of Italian Ambasador Alberto Bellardi Ricci. He said Capocci's wife, found not to have been involved, was freed tonight.

Capocci, for seven years an insane asylum inmate, has been placed in the Stockholm penitentiary hospital for criminal insane. Meier said he now refused to talk of the killing.

Ricci, who had been appointed Ambassador to Chile, was giving a farewell luncheon in a Stockholm hotel when a man called him out and stabbed him with scissors.

Chetnik Doomed

DEC 1947

BELGRADE, Yugoslavia, Dec. 27 (AP).—A Serbian regional court sentenced Chetnik leader Branko Karanovic to death today. He was convicted of commanding Chetnik units which the court charged were responsible for killing partisan fighters and youths in Serbian villages during the Nazi occupation.

Slavs Kill Fugitive

TRIESTE, Dec. 27 (AP).—Venezia Giulia police said a Yugoslav sentry last night machine-gunned to death a driver who tried to plunge his truck through a Yugoslav barrier into the American-British sector of the free territory.

Turk Leftist Forced Out By Students

DEC 1947

Ankara, Dec. 27 (AP) — Rioting students who shouted anti-Communist slogans invaded Ankara University today and forced the resignation of a rector who, they said, had Leftist tendencies.

The students, estimated by police at 5,000, had been prevented earlier by police and troops from approaching the Soviet Embassy. To enter the university they brushed aside police, who fired over their heads, and cut the hose of firemen who had drenched them with water.

They entered the office of Rector Shefket Aziz Kansu, compelled him to write his own resignation, then removed him from his office and sent him home.

DAY

The demonstration was another in a series in which students at Ankara and Istanbul have displayed anti-Communist feelings.

Rector Pushed Around

The students, brandishing anti-Communist placards, pushed the rector around and heckled him before forcing him to sign the resignation. One placard proclaimed:

"Ataturk said the greatest danger to Turkey is communism. Beware!"

For almost a year Ankara students have leveled criticism at a number of professors they accused of being too Leftist. Repeatedly the students have demanded resignations.

Their complaints have been under scrutiny by the Ministry of Education, but the records on the professors were said to have been lost in a fire in the Ministry Building early this week.

IRAQ SPEEDS AID TO ARABS

Group Spokesman Says 2 Units Will Go to Palestine in Week

BAGHDAD, Iraq, Dec. 27 (AP)—Col. Taher Mohammed, retired, a member of the "Palestine Defense Committee" here, said tonight that two regiments of volunteers will be sent to Palestine within a week to fight for the Arabs.

He said the two regiments prepared by the committee consist of soldiers, non-commissioned officers and officers released from the Iraqi Army.

The committee said 100 retired army officers would proceed to Syria within a week to train Syrian volunteers.

2 Ships Leave Bulgaria With Jews for Palestine

By The Associated Press

BUCHAREST, Rumania, Dec. 27 — A Jewish spokesman said tonight that the Pan York and the Pan Crescent, flying the Panamanian flag, have left Burgas, Bulgaria, with several thousand Rumanian Jewish refugees, headed toward Palestine.

Two weeks ago the Jews sold their belongings and prepared to leave from Constanta, Rumania, but the Jewish Agency ordered the sailings canceled, the spokesman said.

Zionist organizations in Rumania decided to go ahead with the plan, he added.

All the refugees carried Bulgarian transit visas, Rumanian exit papers and the visa of a South American republic, the informant said.

Anti-Jewish Move Reported

Cairo, Dec. 27 (AP)—The weekly newspaper *Akhbar el Yom* said today a fund of 320,000 Egyptian pounds (about $1,315,000) allocated to a "secret budget" of the Foreign Ministry by Parliament would be used to "finance the Arab movement against a Jewish state" in Palestine.

Haganah Hits Back at Arabs; 17 More Deaths

DEC 1947

Jews Raid Village on the Mount of Olives; 386 Have Died Since Nov. 29

JERUSALEM, Dec. 27 (AP).—Haganah, the Jewish defense army, lashed back at the Arabs today, and Palestine's communal warfare claimed seventeen more lives—ten Arabs and seven Jews.

The day's killings brought to 386 the death count in Palestine since the Nov. 29 United Nations decision to partition Palestine. The tally for the entire Middle East

30.24- 14497

was 507.

Palestine police, in their first public count of casualties, said 316 persons had died since Dec. 1, but added that all deaths may not have been reported to them. Violence actually began on Nov. 29.

In today's action a Haganah striking force raided the Arab village of Silwan on the Mount of Olives, police said. Two Arabs were killed and two were wounded, and five houses were destroyed.

Haganah clashed with ten armed Arabs in a house in the strife-torn area between Tel Aviv and Jaffa, and the body of an armed Arab was found after the firing ceased.

In Jerusalem a group of Arabs attacked a Jewish orphanage, throwing hand grenades and firing small arms. Haganah sped forces to the scene, but police drove off the Arabs before the Haganah squad arrived. There were no casualties inside the orphanage, but a Jewish passer-by was wounded by the Arabs.

Arabs conducted a large-scale attack on settlement police near Kfar Sava, a village southeast of Nathanya on the coastal plane, which until today had been peaceful.

Haganah informants said the Jews were surprised while at target practice, and that four Jews were missing and four wounded. Government officials said two Arabs were reported killed and several wounded. One of the missing Jews later was found dead.

British soldiers stationed near the American consulate were fired upon last night by unknown persons. The fire was returned.

One Jew was found dead in an Arab bazaar in Haifa and another in the Haifa cemetery. An Arab driver for the army died of wounds in a Haifa hospital, and another Arab was found dead in a government forest area.

A Haganah raid on a Bedouin camp in the Haifa area killed one Arab and wounded two others. Within the port city itself gunfire from a passing car killed another Arab. A Jew was found shot to death near Athlit, south of Haifa.

One Jew was killed near Jerusalem's Jaffa Gate, and an Arab woman died when an Arab encampment near Jericho Road was sprayed by bullets.

Two Jews were killed while defending the water pipe line to agricultural communities in the southern Palestine desert.

Palestine police divided the casualties since Dec. 1 in this way: Jews, 127 dead, four missing, eighty seeriously injured, 208 injured. Arabs, 169 dead, 155 seriously injured, 270 injured. They listed the civilian dead at four, the Army nine and police two.

In addition, said the police, the various Jewish police formations suffered twelve fatalities, while similar Arab groups had two killed. They placed the total of dead, wounded and missing at 1,064.

Dispatches from Bucharest quoted an authoritative Jewish spokesman as saying that two ships, the Pan Crescent and Pan York, flying the Panamanian flag, had left Burgas, Bulgaria, with 15,000 Jewish refugees.

The dispatch said the Jews had visas for a "South American country" but were believed bound for the "Eastern Mediterranean," presumably Palestine. Both ships had been waiting at Constanta, Romania, for about two months. The ships, each of 5,470 tons, had been converted from cargo to passenger ships.

Hagana Storms Arab Village; 2 Killed

DEC 1947

C. DAILSON

Jerusalem, Dec. 27 (AP)—Strife in Palestine brought death today to four Jews and six Arabs, raising to 379 the number of fatalities since partition was announced a month ago.

Throughout the Middle East, 500 lives have been lost since November 29.

The Government said that since December 1, police had received reports of 316 persons killed in Jewish-Arab clashes. Four were missing, 270 were injured seriously and 474 wounded in lesser degree. Of the dead, 125 were Jews, 162 Arabs and the rest soldiers, police and foreigners.

Sniper Victims Hidden

The Associated Press tabulation for the same period showed 379 dead. The difference was due apparently to the practice of Arab snipers, who frequently hide their victims from authorities. The Government announcement stressed that casualties were only those reported to police.

Police said the Jewish underground force, Hagana, made a reprisal raid on the Arab village of Silwan on the slope of the Mount of Olives. One Arab was killed and two were wounded. Five houses were destroyed. A second Arab was found dead later on the village outskirts.

DAY

Children's Home Attacked

Hagana clashed again with ten armed Arabs in the border area between Jewish Tel Aviv and Arab Jaffa. An official report said an Arab was found dead later on a near-by track.

Arabs attacked a Jewish children's home in the fashionable Katamon quarter of Jerusalem with revolvers and grenades, but police announced no casualties.

Police reports said two Jews were killed defending a pipe line from Arab attackers in the Negev region in southern Palestine. British police and troops broke up the battle.

[A Reuter dispatch said that six Arabs were killed in the attack on Silwan.]

The Silwan raid reportedly was carried out to avenge an Arab attack last week on a funeral procession on the Mount of Olives. Police reports described the raiding party as a helmeted Jewish force and said the attack was made with grenades and automatic weapons.

British Halt Train Raids

In other overnight incidents, bombs destroyed one Arab-owned building and set fire to another in the Romena district of Jerusalem. Police said two freight trains were stopped by gunmen during the night. Ninety-six bags of flour were taken from one and British troops dispersed a group of Arabs before supplies could be taken from the second train.

The Silwan raid topped off a day in which 22 persons died in Palestine violence, seventeen of them Jews who fell victims to snipers.

Blame Telescope Shooting

Jewish sources have described Silwan, which is on the slope of a hill facing the old walled city of Jerusalem, as a hideout for Arab desperadoes. Police authorities have stated that during the past month "apparent telescopic shooting" by snipers in Silwan caused the death of three Jews.

Police sources said they thought the Jewish attackers had moved in on Silwan by carrying Bren guns and grenades over the "Hill of Evil Counsel" and down into the valley below Government House which faces the village.

KASHMIR RAIDERS BOMBED

Indian Army Uses Big Missiles In Warfare on Border

NEW DELHI, India, Dec. 27 (AP)—Planes of the Indian Air Force dropped half-ton bombs on headquarters of warring Moslem tribesmen near Mirpur and other tribal concentrations along a 500-mile front in southwestern Kashmir state, a communiqué said tonight.

An Indian military spokesman said that operations around Jammu had been assuming the form of real warfare with pitched battles. He said the tribesmen were operating in regular formations, were fully equipped with winter clothing and modern firearms and wireless apparatus and appeared under the command of highly trained technical men.

The spokesman said that the technical men claimed to be deserters from the Pakistan Army. He estimated that 10,000 tribesmen were taking part in the fighting.

COMMUNISTS BLOW BRIDGE AT MUKDEN

DEC 1947

Pressure on Manchurian City Sustained—Information Curb Is Imposed on Officials

By The Associated Press.

NANKING, Dec. 27—Communists are harassing isolated Mukden with increasing boldness and food riots have broken out in that shivering Manchurian city, reports seeping through the newly-established censorship said today.

In addition to censorship of developments in the Mukden area, informed Chinese sources said, President Chiang Kai-shek today had issued a personal order to Government officials and army officers throughout China not to disclose any military information under pain of severe but unspecified penalties.

NIGHT

Posters warning Army men against "gossip" appeared on the walls of most public places.

The only paper publishing its own war news from the Manchurian front was the Army organ, Peace Daily, and both it and the official Central News Agency stated that fighting was severe in southwest Manchuria. Central News said that the Government had regained control of all key points within thirty-five miles of Mukden.

From other sources, however, it was learned that the Communists had destroyed a railway bridge seven miles north of Mukden and daringly hurled grenades into Government installations just outside the city limits.

Peiping accounts said that Government troops had began operations against the Communists around Changchun, the Manchurian capital, 175 miles northeast of Mukden, despite a temperature of 36.4 below zero, Fahrenheit.

Reports reaching here today said that a Communist force attacked the undefended French Catholic Mission in the Pakhoi region of Kwangsi Province, destroying the mission and wounding several, including two French priests.

Chiang Hushes War News

Nanking, Dec. 27 (AP)—Generalissimo Chiang Kai-shek issued a personal order today banning disclosure of military news by Government officials as reports from the north indicated the National position in Manchuria was steadily worsening.

Chiang's order forbade the disclosure of any military information to the press or public. In the past authorities several times have disclosed highly secret military personnel transfers and other war secrets.

Chiang ordered severe punishment for violators.

Bridge Is Blown Up

Even pro-Government sources acknowledged that the Communists were gaining ground in the West Liaoning area, where fighting has been the heaviest.

The official Central News Agency had blown up a railroad bridge only 7 miles north of the city and had tossed grenades into Government installations just outside the city limits.

DAY

The food problem in Mukden, cut off from the south by Communist blockades of the Peiping-Mukden railway, was reported as becoming increasingly acute.

[Chinese dispatches from Mukden to Peiping, presumably passed by military censors in the beleaguered city, reported the Communists were continuing their attacks against the outer defenses. Despite the bitter cold, the Government troops of Gen. Chang Chun said the Government had regained control of key points within a 35-mile arc around Mukden. From other sources the Associated Press learned that Red demolition squads operating within the defense area were said to have started counter-attacking.

Still Circle Mukden

[The Red forces were reported still exerting pressure at Changwu, communications center 60 miles northwest of Mukden; Faku, a highway center 45 miles north, and the rail junction point of Hsinltiun, 70 miles to the west.

[The dispatches also reported attacks on Nationalist concentrations along the Peiping-Mukden railroad between Chinhsien and Sinmin, north of the Great Wall. The arrival of reinforcements which reached the city by forced marches was reported to have strengthened the garrisons of Mukden proper.

[Fuel shortage in Mukden is forcing residents to chop down trees lining the streets, the reports said.]

Anti-Kuomintang Conference Planned For Hong Kong

DEC 1947

Hong Kong, Dec. 27 (AP)—The *Sunday Herald*, quoting Chinese political sources, said today that an anti-Kuomintang conference "aimed at revolution to bring about a complete change in present policies of the (Chinese) National Government" is planned here shortly.

The Kuomintang is China's ruling party.

The conference also would "prepare to cope" with the inevitable collapse of the Kuomintang Government.

The paper said it was called by Kuomintang elders, a group which fought with Sun Yat-sen to overthrow the Manchu emperors and establish the Chinese Republic.

The list was reported to include Marshal Li Chi-shen. The Marshal formerly commanded Chiang Kai-shek's headquarters at Kwelein, but recently has been in disfavor in Nanking because of his anti-Government statements. He would not disclose the date of the conference. The meeting had been set for September, but was postponed because of the Marshal's expulsion from the Kuomintang, the article concluded.

Lester Gets 8th Army Post

YOKOHAMA, Japan, Dec. 27 (AP).—Major General James A. Lester, commander of the 24th Infantry Division, will replace Major General Clovis E. Byers as chief of staff of the 8th Army next month, it was announced today. General Byers will return to the United States for reassignment. No successor for the 24th Infantry Command was announced.

Major Gets 3 Years for Graft

YOKOHAMA, Japan, Dec. 27 (AP).—The Army Department has approved a general court-martial sentence of three years at hard labor for Major Frank A. Kotches, of Stamford, Conn., convicted of soliciting gifts from Japanese for influencing Army contracts, it was announced today. He formerly was procurement officer of the Hiroshima Military Government Team.

Allied Council Head Calls U. S. Pattern for Japan

DEC 1947

TOKYO, Dec. 27 (AP).—The Japanese would do well to ponder the pronouncement of President Truman that the United States wishes to live in a peaceful, prosperous world, William J. Sebald, chairman of the Allied Council for Japan, declared tonight.

For, he added in a New Year's message to the nation, since its inception the occupation has been guided by the spirit of the President's declaration that America desires "a peaceful world, a prosperous world, a world of good neighbors, living on terms of equality and mutual respect."

Those, he added, "might well become the objectives of a peaceful and democratic" Japan.

Marriage in Japan

DEC 1947

Tokyo, Dec. 27 (AP)—Miss Priscilla Hensley, niece of Mrs. Fae Lockett, of Fort Worth, Texas, and Major Robert Spilman, son of Doctor and Mrs. R. A. Spilman, of Ottumwa, Iowa, were married Christmas Eve at Camp Crawford, Sapporo, Hokkaido Island.

JAVA ACCORD PREDICTED

Commission's Plan Likely to Be Accepted, Batavia Hears

BATAVIA, Java, Dec. 27 (AP)—A well-informed Dutch source said today the Netherlands East Indies Government appeared inclined to accept the United Nations Good Offices Commission's latest proposal for a "cease fire" peace in Indonesia.

Indications were that the opposing Republican regime might also accept by Monday.

Dr. Frank P. Graham, United States member of the commission, said upon returning from Jogjakarta that Prime Minister Amir Sjarifudin and members of his Republican delegation would return to Batavia Monday for negotiations. He said the Republican Cabinet was holding a special session this afternoon.

Agreement Forecast On Charter For ITO

Havana, Dec. 27 (AP)—Sergio Clark, president of the Havana Trade Conference, has expressed confidence that the meeting will succeed. It had been threatened with a breakdown earlier in the week.

Clark, in a radio address broadcast over the United Nations network last night, said he believed the 63-nation conference would result in agreement on a charter for an International Trade Organization.

"Probably the main controversy," Clark said "relates to the economic development of less developed countries. This issue concerns not so much whether underdeveloped countries shall be allowed or encouraged to develop their economies, but how they shall do it."

"Require Time, Patience"

Clark added: "In other words, it is a conflict between whether these countries shall have a free hand to protect their industries by quotas and similar means or whether the use of such devices shall require the approval of the trade organization." He said in order to resolve such conflicts it "will require time, patience and good will."

Earlier in the week the conference reached a crisis when some nations demanded the privilege of imposing quotas and similar restrictions upon international trade. Other countries contended that such moves should not be made without ITO approval.

Costa Rica Recognizes Nicaragua Regime

San Jose, Costa Rica, Dec. 27 (AP). The Foreign Office said today Costa Rica extended recognition to the present Government of Nicaragua in a Christmas Day message.

A military coup in Nicaragua last May resulted in the ouster of President Leonard Arguello. In August the Constituent Assembly named Dr. Victor M. Roman y Reyes as President.

Italy Pact Ratified

Mexico City, Dec. 27 (AP)—A secret session of the Mexican Senate yesterday authorized President Miguel Aleman to ratify the peace treaty with Italy. Mexico took no part in drafting the Italian treaty, but presented views on the document when it signed in Paris February 10, 1947.

PANAMANIAN SAYS U. S. ERRED ON PACT

DEC 1947

Panama, Dec. 27 (A. P.).—Ricardo J. Alfaro, recently resigned Foreign Minister of Panama, has accused the State Department of the United States of committing three fundamental errors in negotiating for the defense-base agreement. The agreement was rejected last Monday by the Panamanian National Assembly.

Alfaro, expressing his views in an interview yesterday, said the State Department made the following "errors":

1. Failure to express categorically its position on expiration of a 1942 defense-base agreement.

2. Insistence on introducing clauses, phrases and words, which tended to assert powers and privileges of the United States and diminish Panama's sovereignty.

3. A tendency to make the agreement on the bases—intended for defense of the Panama Canal—a permanent instrument.

Alfaro, who quit the Cabinet in protest against the signing of the agreement, declared, however, that United States troop withdrawal from Panamanian bases was a conclusion, which was "honorable for Panama and honorable for the United States." The United States withdrawal is now under way.

Canada Seeks Better Trade Balance In '48

DEC 1947

Ottawa, Dec. 27 (AP)—Trade Minister J. A. MacKinnon, in a year-end review of Canada's growth as a trading nation, said today that decisions taken in 1947 "will lead to changes which we hope will work toward a better balance in Canada's trade with foreign countries."

The Minister urged the full cooperation of business men and manufacturers to make import restrictions to conserve American dollars workable without imposing further strains on Canada's economy.

"During the past year many of our postwar loans to European countries have been used up and more supplies will be available for export to hard currency areas," the Minister said.

Britain Cutting Imports

"Exports of some commodities to the United Kingdom are likely to diminish as Britain has had to adjust her imports to her current and immediately prospective exchange balances.

"The flow of Canadian goods from now on must become more evenly balanced between hard and soft currency countries in order that our international obligations may be kept within the limits of our capacities."

Canada in 1947 obtained some major adjustments in tariffs and quota restrictions currently in effect in the United States and certain European countries, particularly for her agricultural goods and manufactured products, he said.

The prospect of financing some part of Canada's necessary exports to Europe under the Marshall aid-to-Europe plan "is hopeful."

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House Asks Names Of 200 'Insiders' In Grain Trading

DEC 1947

Prober Demands Anderson List— U. S. Employes Who Speculated; Senate Will Make Own Checkup

WASHINGTON, Dec. 27 (AP).—Chairman August H. Andresen (R., Minn.) of a House investigating committee called upon Secretary of Agriculture Clinton P. Anderson today to disclose the names of 200 Federal employes in Chicago who allegedly speculated in the commodities market on the strength of "inside" Government information.

Andresen said in a letter to Anderson that his House Committee on Commodity Speculation wants the facts concerning "the investigation conducted by the Commodity Exchange Authority during the fall of 1947" involving the 200 Federal workers.

NIGHT

"The committee desires the names and addresses of each of the said employees and the name of their bureau or agency in which each employe worked, as well as the names and addresses of the commodity brokers handling the accounts," Andresen's letter said.

"The committee also desires specific information as to the make-up of an alleged 'speculative pool,' in commodity futures, supposedly made up of Government employes in Chicago."

Andresen's demand upon Secretary Anderson came as a combination of sleuthing and accounting by both Senate and House committees was put on the trail of any "government insiders" who may have profited from commodity market speculation.

CHECK BY SENATORS

Besides the inquiry being made by Andresen's committee, an independent check will be made by a Senate committee headed by Senator William F. Knowland (R., Calif.).

Andresen told newsmen late today that he had received information from "a very reliable source" that the Commodity Exchange Authority conducted an investigation of alleged gambling on the Chicago commodity mart in August or September "and never made it public."

"It seems to me that Secretary Anderson should have released that information first instead of coming out with lists of legitimate traders in the market," Andresen said.

"It could not be possible that he did not know about it.

"If my information is correct, these employes were in a position to get inside information on the government's commodity buying policies."

Andresen told the Agriculture Secretary that since the Commodity Exchange Authority "has long since completed its Chicago investigation" of the alleged speculation by the Federal workers, "I trust you'll provide the committee with the desired information by Jan. 2, 1948."

In the same letter, Andresen rapped the Secretary of Agriculture in connection with the two lists of traders already released by Anderson on Dec. 22 and 26.

INSUFFICIENT INFORMATION

"While these lists of traders may be of interest to certain persons, the names given are of little value to the House committee because you have failed to designate if any of the persons named have been or are in the employment of the Federal Government," the Minnesota legislator said.

In addition to asking for the names of the 200 workers, Andresen also asked Anderson for the names and addresses of every employe on the payroll, since July 1, 1945, of the Commodity Credit Corporation and the Commodity Exchange Authority, throughout the country.

FAIR PROBE PROMISED

"The committee will conduct an investigation into the speculative commodity operations of Government employes," the letter continued. "Our investigation will be fair and complete. We desire facts, and we propose to get them without injuring innocent persons who have not profited by 'inside' information on Government commodity buying policies."

In addition to names and addresses, Andresen told newsmen, his committee wants to know what happened, if anything, to the 200 Government employes.

The Senate investigating group headed by Knowland is a five man group appointed by Chairman Styles Bridges (R.-N.H.) of the Senate Appropriations Committee. The special House committee under Andresen is a seven man unit.

"We must find out not only if government officials and employes had inside tips on the huge government wartime and relief purchases but also if they leaked information to big time market operators," Knowland said.

TRACED TO GOVERNMENT

All concerned agree that the big increases in sales of wheat, flour, corn and other commodities during the past two years came largely as a result of big government purchases.

Knowland said the Senate Committee staff already is collecting a "pattern" of all these government purchases which pushed prices upward.

"We want to learn when these purchases were decided upon and by whom," he said. "Then we want to know how the information (on the purchases) was released and when the purchases were made.

"Once we set up that pattern, then we want to check back on all large purchases that could have been tipped off by government insiders. These purchasers will be questioned as to how they obtained their advance information."

Meanwhile, Bridges said in a separate interview that he wants the Senate group to call Robert E. Hannegan, former postmaster general and ex-Democratic chairman, and Secretary Anderson to testify about market transactions by Edwin W. Pauley, special assistant to the Secretary of the Army.

Pauley is the only government official who has testified so far about his futures trading.

Pauley, former treasurer of the Democratic National Committee, told Senators that he acted to sell his holdings of "less than a million" dollars in futures contracts for corn, oats, lard, cotton-seed and hides after he took the Army Department post. He denied he ever used any confidential information.

"Mr. Pauley brought the names of Anderson and Hannegan into this," Bridges said. "He testified that they both were with him in Hawaii at the time Secretary of the Army (Kenneth C.) Royall telephoned Pauley offering him the special assistant place."

Pauley, at the Senate hearing, flatly denied that either Anderson or Hannegan knew about his futures trading or that they heard him place any trading orders by telephone in Hawaii.

Grain Dealers Hit Violation Of Rights

Chicago, Dec. 27 (AP)—Dealers on the floor of the Board of Trade said today they felt the listing of names and positions of wheat futures traders was a violation of private business rights.

The Department of Agriculture yesterday made public, a list of big and little traders in wheat, responding to instructions from Congress. It includes the names of everyone "long" or "short" wheat on April 30, 1946, down to the smallest possible total—an "odd lot" of 1,000 bushels.

DAY

The Chicago Board of Trade took no official position, a spokesman explaining that the board was simply a market place, and, as such, not involved in the publication of traders' names. But individual brokers—who were not themselves on the list and declined to be quoted by name—said that:

1. Most people try to keep their business dealings, as far as personal finances are concerned, strictly private. The list of names makes such private affairs public property."

2. Because there has been considerable talk about "gambling" and "trafficking in human misery," public opinion has been aroused against anyone who bought or sold grain futures. Actually, there is nothing illegal in such action.

3. Business, professional and working people in cities and towns throughout the country are now subject to criticism from their neighbors for doing something—buying and selling grain futures—which they have a right to do.

Original Idea Praised

Many brokers believe the original idea which prompted the Congressional interest in grain trading was a good one. "The idea," one broker said, "was to discover if anyone was getting 'inside' information on Government buying, and using such information for personal profit. Such action would be unethical and exposing such people, if any, would be desirable.

"But now we have a breaking down of the principle of privacy in business dealings. If the Government can make public such a list as this, there is no reason why it can't subpoena your bank and mine and tell the world how much money we have in our accounts."

Another broker said that the names compiled by the Agriculture Department were never intended for publication, but were listed to see if any person or group was attempting to "corner" the market. The department has not mentioned any indications of a corner.

Taft Lists 25 Bills For Action by GOP

DEC 1947

WASHINGTON, Dec. 27 (AP).—Senator Robert A. Taft (R., O.) said today the Senate Republican Policy Committee will consider, along with anti-inflation and foreign aid proposals, some 25 other issues.

They include such controversial domestic issues as tax reduction, anti-poll tax legislation and proposals to raise the minimum wage rate.

MEASURES LISTED

Taft supplied the following list of measures which he said are being pressed on the committee, which he heads, but explained that the decision on their disposition will be left to the committee:

1. Civil Service retirement, which he said he personally would "like to get out of the way," by an agreement on the form of the bill.
2. The House approved Mundt bill to authorize the foreign information service in the State Department.
3. A House approved anti-poll tax bill.
4. A proposal for statehood for Hawaii, which Taft said will be covered by specific recommendations by Senator Guy Cordon (R., Ore.) when the latter returns from Hawaii by Jan. 20.
5. Federal aid to education.
6. A housing bill on which Taft said he hopes to get all elements to agree, and which he thinks should be passed in the new session.

RAILROAD BILL ON LIST

7. The Railroad Reorganization bill now on the Senate calendar.
8. A measure creating a department of health, education and security, also on the Senate calendar.
9. A long range agricultural program to supplement the price support law which expires at the end of 1948.
10. Proposals for compulsory military training.
11. Federal aid to States for health programs.
12. A Fair Employment Practices Act, on which Taft said the Senate Labor Committee will resume hearings Jan. 16.
13. A minimum wage increase proposal on which the Senate Labor Committee also will hold hearings.
14. Income tax reduction, which must start in the House.
15. General revision of the tax laws, also starting in the House.
16. Social Security expansion, on

which the House must act first.

17. Extension of military aid to Latin American governments.

18. Proposed extension of the Reciprocal Trade Agreements Act.

LEGISLATION ON D. P.'s

19. The Crosser bill to revise the Railroad Retirement Act.

20. Legislation for the admission of European displaced persons.

21. A measure returning to the States title to tidewater oil lands.

22. Anti-lynching legislation.

23. The regular series of appropriation bills.

24. The legislative budget.

25. Extension of controls over grains used for distilling.

Taft omitted from his list legislation to approve the St. Lawrence Seaway pact with Canada, but Chairman Arthur Vandenberg (R., Mich.) of the Foreign Relations Committee already has said that issue will be brought to the Senate floor early in the session.

dent's recommendations on income and outgo—until after some decision has been reached as to the amount of money Congress expects to approve for long-range economic aid to Europe.

Called For By February 1

The congressional Reorganization Act calls for the legislative budget to be ready by February 1.

"The Marshall plan question is involved in the budget figure and it will be difficult to arrive at any decision on the amount to be spent abroad before February 1," Taft said.

He previously has criticized as too high the President's proposal for a four-year $17,000,000,000 European aid program, which Mr. Truman said would require $6,600,000,000 in the fifteen months' starting April 1.

While most observers expect Mr. Truman to sign the GOP "voluntary" bill, perhaps on Monday, some Democrats predict privately his accompanying statement will blast at what he calls inadequate action to deal with high living costs.

Had Asked Larger Authority

The President had asked for stand-by authority to impose price, wage and rationing controls as he found them to be needed.

Meanwhile, a Senate-approved measure to restore Government controls over consumer credit, including instalment buying, seemed destined to drop from the Republican planning for more cost-of-living action. It may die on a House Banking Committee shelf.

Representative Wolcott (R., Mich.), House Banking chairman, said continuation of rent controls, which expire February 29, would have top priority in his committee, when Congress reconvenes January 6. He saw little prospect for credit-control action.

Wolcott Leaves It To Truman

Moreover, except for rent controls, there is nothing now on the Banking Committee docket for quick action on the cost-of-living front, Wolcott said.

"We have given the President inflation-control legislation," he said. "Now it is up to him to make it work."

But two other major economic offensives were charted by other committees. As soon as Congress reconvenes—

1. Chairman Knutson (R., Minn.) will assemble the House Ways and Means Committee to consider a $5,600,000,000 a year income-tax cut. Knutson offered the tax-slashing measure in the last hours of the special session that adjourned December 19.

2. Representative Taber (R., N.Y.), chairman of the House Appropriations Committee, will launch a new effort to slash Federal spending.

Tax-Cut And Inflation

Taft, while saying the Senate GOP policy committee would consider income-tax reduction and general tax-revision proposals, noted that tax legislation must start in the House.

While Republicans argue that tax reduction would encourage larger production, needed to ease inflation, Mr. Truman regards a large tax slash as a definite encouragement to inflation, by increasing the spending money that bids up prices of scarce goods.

However, some members of Congress believe the President himself might look kindly on a "cost of living" tax reduction for smaller-income persons.

Budget Reduction Issue

On the budget-cutting issue, Republicans themselves were unable this year, prior to passage of the detailed supply bills, to agree on how much Mr. Truman's $37,500,000,000 budget for fiscal 1948 should be cut. The Senate voted a $4,500,000,000 slash; the House put the figure at $6,000,000,000.

Democrats and Republicans never could agree just how much the President's budget actually was cut.

While Taft took the position that spending estimates must await more knowledge of European aid costs, Representative Taber and other Republicans have voiced new determination to trim Government costs, without delay.

Taft Foresees Anti-Inflation Plans For GOP Policy Group

Washington, Dec. 27 (AP)—The Senate Republican Policy Committee will consider further anti-inflation proposals—along with a raft of other congressional issues—when it meets early next month, Senator Taft (R., Ohio) said today.

Taft, chairman of this committee and a candidate for the Republican presidential nomination, outlined a heavy schedule for possible action in the new session of Congress.

He talked to reporters while the Capital awaited the expected, if reluctant, signature of President Truman on the GOP anti-inflation bill. This bill is based on voluntary agreements by industry to divide up supplies and facilities to hold down prices, and is far short of Mr. Truman's requests.

House Priority Prospects

House leaders indicated top places will be given to tax reduction, extension of rent controls and a slash in Government spending to supplement the "voluntary action" legislation of the special session.

Taft said several anti-inflation proposals will be laid before the Senate GOP policy guiders. These include the extension of rent control, possible regulation of trading on the commodity exchanges, proposed restrictions on bank credit and "other anti-inflation measures" which he did not specify.

Taft said it may be impossible to settle on a legislative budget—a sort of counterpart to the Presi-

Marshall Will Boss Stopgap Aid Program

Washington, Dec. 27 (AP)—Secretary of State Marshall has been appointed by President Truman to supervise expenditure of $522,000,000 in stopgap aid for France, Austria and Italy.

Under legislation passed at the special session the three nations will receive mostly food, fuel and other living necessities to see them through the winter.

A White House executive order issued late yesterday also authorized Marshall to direct use of $18,000,000 which the same bill provided for China.

NEW DUTY SLATED FOR JET BOMBERS

Air Force Will Use Fast Craft Against Ground Troops

Washington, Dec. 27 (AP)—Swift jet bombers, dropping down out of their normal high altitude element, will be used by the Air Force for ground-troop strafing and attacks on an enemy's front-line defenses.

An Air Force listing of new types of aircraft developed during 1947 commented that the four-jet XB-45, will be put into service with the tactical air command next spring.

Plans Changed

That organization, with headquarters at Langley Field, Va., and commanded by Lieut. Gen. Elwood R. Quesada, operates the fleet of combat craft intended to give close-in support to ground troops by blasting bridges over which enemy troops are moving, bombing and shooting up convoys of troops and supplies, attacking tanks, and other tactical operations. During World War II, aircraft such as the A-26 twin-engined bombers carried out many of those operations.

The decision to use jet aircraft at altitudes ranging down to 4,000 or 5,000 feet represented a departure from the original school of thought that jets could be used efficiently only at high altitude, where the rate of fuel consumption is much less.

An Air Force expert said that the tactical air force jets would be flown to and from their targets at high altiudes, where their engines are efficient, dropping down only to make swift runs on a target. A major advantage will be speed—the Air Force rates the XB-45 at "more than 480 miles per hour"—which will cut down the time at which they are exposed to flak and machine-gun fire from the ground.

Has 800-Mile Range

The radius of the XB-45 is given "as over 800 miles." This compares favorably with the range of the "heavy" bombers of B-17 and B-24 type in the war, but is far short of the ranges attained by the B-29's and the newly designed B-36.

The comparatively limited range of jet bombers has given them a spot in the tactical organization not yet open to them in the strategic bombing operations. In the latter instance, ultra-long range is required to reach and destroy war plants and other industries supporting a war economy far behind front lines.

Fifth Of Doctors May Quit VA Hospitals

Washington, Dec. 27 (AP) — The Veterans Administration faces the loss next spring of 1,400 physicians, more than a fifth of its hospital staff, Maj. Gen. Paul R. Hawley said today.

Hawley said replacement of those doctors will be the No. 1 problem of the man who succeeds him as medical director for the Veterans Administration. Hawley has resigned effective next Wednesday after two years of service.

The doctors involved are young officers trained in the wartime army specialized training and Navy V-12 programs. The terms of 1,400 expire in May, Hawley said.

Reported Dissatisfied

The officers in many cases were assigned to the more isolated hospitals for which, frequently, it was difficult to obtain civilian personnel.

Considerable numbers are reported to have expressed their dissatisfaction, and their intention of leaving VA upon completion of their two-year terms.

Ninety-three members of the first contingent to enter VA service quit a month ago.

The Veterans Administration employs about 6,700 physicians for its 126 hospitals and their 118,000 patients.

Cites Budget Limitations

"My successor's second major problem will be certain fiscal considerations arising out of limitations on the appropriation this year, and the need of defending the 1949 budget," Hawley added.

"Everything else is moving along pretty well, but we have not accomplished everything we have set out to do. It will be several years before the VA medical program is at the level we would like it to attain."

Hawley said the problem of chronic alcoholism among veterans still is increasing, and predicted that VA physicians will treat 10,000 cases of alcoholism this year, compared with 6,459 last year and 3,529 in 1945.

In Dark As To Successor

Hawley disclosed that he plans to take a full-time position—the nature of which will be announced within two weeks—in which he can apply the experience he gained while working with veterans.

Meanwhile, he said, he will spend part of his time for the next three months helping—without pay—to reorganize the Army, Navy and Air Force medical services at Secretary of Defense Forrestal's request.

He said he has conferred several times with Carl R. Gray, Jr., veterans administrator, about appointment of his successor but "we discussed general specifications, not individuals, and I have no idea as to Gray's likely choice."

Dr. Paul B. Magnuson, Hawley's right-hand aide and VA chief of professional services, has been mentioned as one likely candidate.

RESERVE OFFICERS HIT STAFF CHIEFS

Top War Officers Are Tired, Unable to Change, Neblett Says, Asking New Plan

WASHINGTON, Dec. 27 (AP)—The Reserve Officers Association said today it had submitted to Congress a plan for national security, made necessary because "the admirals and generals of the top level staff have been impervious to new concepts of preparedness."

Col. William H. Neblett, association president, in an article appearing in the association's magazine, said the plan includes these points:

"Abolish the volunteer system of recruiting.

"Fit universal military training into a unified military establishment, making 'service in this force of whatever nature compulsory.'

"Meet the 'undeclared emergency' by organizing into local citizen home units and equipping with modern weapons our 16,000,000 World War II veterans or as many of them as may be necessary.

"Provide that the local citizen units be commanded and trained by officers from the same community, which officers will retain their commands in time of war."

Such a plan was necessary, Colo-

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nel Neblett contended, because:

"There is no known defense to the atomic bomb, to the atomic cloud or to bacteriological warfare. We must have a plan for national security which will make it possible for us to continue to exist in this age when these weapons will be used against us, if there is a war."

In his criticism of the military leaders, Colonel Neblett asserted:

"Our top level wartime staff officers are tired. They are worn out fighting a losing battle to save the Army, Navy and Air Force in the forms which they have known them. The thought of any possible change is too much for them. Many of them have broken down and gone into retirement for disability. Their passage from the scene will not help. They disciplined too well in their ways of military thinking the ones who are left."

COST OF LIVING MAY GO STILL HIGHER IN 1948

DEC 1947

Labor Statistics Bureau Hints Further Climb Is Coming

Washington, Dec. 27 (AP)—Living costs reached a new record high in mid-November, the Bureau of Labor Statistics reported today, adding the hint that 1948 may start at an even higher level.

Statisticians of the Bureau of Labor Statistics said privately that a two per cent wholesale price jump since mid-November indicates the nation may swing into the new year at a consumers' price level even eclipsing the mid-November peak.

The bureau's consumers' price index rose approximately one per cent from mid-October to mid-November to set the new record. The mid-November index is eight per cent higher than it was a year ago, 24 per cent above mid-June, 1946, 67 per cent above August, 1939—when the war in Europe began—and 165 per cent more than the five-year 1935-39 average of consumers' prices.

All Major Items Rise

"Prices advanced in November for all major groups of items," the bureau report on its mid-November findings said.

"Preliminary estimates show that average retail prices of fuels were up nearly 1½ per cent. Apparel, house furnishings and miscellaneous goods and services increased somewhat less than one per cent. Rents were fractionally higher."

Food prices rose about one-half of one per cent between mid-October and mid-November, the bureau said, reaching to slightly below the peak they registered in September. The November food price status was 203 per cent above the 1935-39 average.

A Government official meanwhile suggested more savings and faster repayment of existing debt as one method of combating inflation.

Points To Increase

He was William H. Husband, general manager of the Federal Savings and Loan Insurance Corporation, a Government unit. Husband mentioned that the public increased its savings in insured savings and loans associations by almost $1,000,000,000 in 1947, a fifteen per cent increase over last year.

He added:

"Not only do additional savings take pressure off prices, but they provide a solid foundation to perpetuate economic prosperity. . . . Another form of saving which can be recommended to Americans under today's conditions is an even more rapid rate of repayment of existing debt."

Grateful U.N. Staff Pledges Hospital Aid

Binghamton, N.Y., Dec. 27 (AP)—A gift to the Binghamton City Hospital will be the "bread-and-butter" present of the 175 United Nations employés who celebrated Christmas here.

The holiday guests of Binghamton, Johnson City and Endicott families will provide an orthopedic operating table as a gesture of thanks to their new friends.

Termed "Valley Of Kindness"

Major Jan Eisenhardt, chief of United Nations staff activities and welfare, announced their intention last night at a dinner terminating the three-day round of festivities. He termed this area "the valley of kindness" for its United Nations experiment.

The guests, clerks, typists, interpreters and other workers from 35 nations, came here as strangers Christmas Eve to share the traditional holiday gayety of area families.

The party, sponsored by the Rotary Club, was planned as a token of gratitude for the hospitality shown to American service men and women when they were far from home during the war.

Draft Pardons Fall Short, Say Quaker Chiefs

Philadelphia, Dec. 27 (AP) — Two leaders of the Society of Friends say they believe President Truman "stopped short" in pardoning 1,500 draft violators.

DAY

Clarence E. Pickett, executive secretary of the American Friends service committee, and Harold Evans, said in a statement yesterday the President should have included members of the Jehovah's Witnesses religious sect and those who objected to war service on philosophical and ethical grounds.

Referring to the "ethical" objectors, the Friend's leaders said, "We feel there is legal as well as compassionate grounds for amnesty, since the prisoners had been put in Class 4-E by their draft boards.

"The Jehovah Witnesses take their religion and dictates of their conscience with deep seriousness and we feel they should have been restored to full citizenship," the two men declared.

The President acted on recommendation of an amnesty board which said it considered approximately 4,300 cases of Jehovah's Witnesses and recommended pardons for those it thought should be classified as "ministers."

DEC 1947

Aims and Procedure Are Outlined by Loyalty Board

WASHINGTON, Dec. 27 (AP)—The text of Loyalty Review Board Chairman Seth W. Richardson's statement on board aims and procedures:

UNITED STATES CIVIL SERVICE COMMISSION
STATEMENT BY SETH W. RICHARDSON
CHAIRMAN, LOYALTY REVIEW BOARD

The proposed loyalty program represents a comprehensive effort to weed disloyal employes out of the Government service. Due to the immediate importance of the program, to the large number of Government employes, and the evident nation-wide interest in the general subject of employe disloyalty, I have thought it advisable, as the program now will go into general operation, to present to the general public an overall picture of approximately what we propose to do.

I suppose that all good citizens would agree that disloyal persons ought not to remain in the employ of the Government, but keeping them out or getting them out presents substantial difficulties. The Government itself has been interested in the subject for some time. In 1939 Congress passed legislation commonly known as the "Hatch Act," withholding pay from persons belonging to disloyal organizations.

Since 1941, Congress has inserted similar language in each of its appropriation bills.

The United States Civil Service Commission in 1940 declared that, as a matter of policy, it would not certify for employment the name of any person who was a member of the Communist party, the German Bund, or any other Communist or Nazi organizations.

Despite these efforts on the part of the Government, lack of uniformity in application and responsibility for action brought about a Congressional investigation by the Seventy-ninth Congress, which resulted in the appointment of the President's Temporary Commission on Employe Loyalty, which was directed to propose a program to give adequate protection to the Government in respect to elimination of disloyal employes. This commission gave considerable thought to the problem, but did not draft the outlines of such a program.

In due course there followed the Executive Order of March 21, 1947 (Executive Order 9835), which contemplated the establishing of procedures for the administration and accomplishment of an employe loyalty program and, in part, directed the creation of a loyalty review board by the Civil Service Commission, in aid and furtherance of such program. Congress approved the program and appropriated 11 million dollars to effectuate it. Thus the resulting loyalty program may rightly be said to be genuinely bipartisan.

Organization Work Completed

In accordance therewith, the Civil Service Commission established the present Loyalty Review Board for the purpose of carrying out the directions of the Executive Order, which, as I have said, contemplated the establishment of the essential machinery to carry into effect a comprehensive employes loyalty program. The board thus established has now perfected its organization, adopted rules and regulations for the board, together with far-reaching rules and regulations calculated and intended to establish a loyalty program procedure throughout the Government. What this program is, and what our plans for operating are, I shall try to state.

It must be observed that this loyalty program applies only to Government employes, and of course not to citizens in general.

It seems obvious that the initial and essential working basis for such a program depends upon the immediate development of a system of searching employe investigations in order to ascertain facts relevant to employe loyalty. The field is exceedingly broad since there are in the Government service, and thus within the scope of the loyalty program, approximately 2,000,000 Federal employes.

In connection with the required basic investigation thus referred to, and with the approval of the Attorney General, the board proposes to turn to the Federal Bureau of Investigation for cooperation and assistance. This bureau has been an active, dynamic, fact-finding agency in the government field for many years. Under present objectives, its agent personnel is made up, in a large part, of educated men, carefully selected, and usually with degrees either in law or public accountancy. In its investigative work through the years, I think it has met with the general approval of the country at large. It would be difficult to suggest any other investigative agency available to the board, which would present qualifications in experience, training and public estimation, comparable to this bureau.

In order to cooperate fully with the aims of the board, the bureau has established within its own organization, a special course of instruction for agents who may be detailed to assist the loyalty program. Special regulations and instructions have been promulgated with respect to such agents, pointing out to them that proposed reports of bureau agents in connection with the loyalty program must not contain any opinions, recommendations or conclusions from the particular agent, that the sole aim of the agent should be to ascertain facts properly relevant to the question of loyalty, and, what is particularly important, that the agent should in no sense act as a prosecutor, but should be entirely free to report facts in support of loyalty, as well as facts indicating possible disloyalty. I am confident that the bureau will cooperate fully in preparing reports in line with these objectives.

Careful Reviews Provided

When the report is completed by an agent, it will then go to the bureau heads in the regional office out of which such agent works and such agency heads will carefully review it, in order to see that the same is in accord with the controlling directions to the agent, after which the report will be sent to the bureau office in Washington, where it will again be scrutinized and considered, and then, and only then, will the report be issued by the bureau for use in the loyalty program. It is the board's hope and expectation that this system will bring about uniformity of policy, and avoid any hardships that might be caused by illy considered reports.

DEC 1947

Under the provisions of the Executive Order, it becomes the duty of designated government officials to appoint loyalty boards for the purpose of giving primary consideration to loyalty cases. It may be generally said that such boards are of two kinds: A loyalty board in each of the government agencies, whose work will embrace consideration of cases arising in relation to already employed persons, and regional loyalty boards, established by the Civil Service Commission, fourteen in number, whose duty it would be to consider loyalty cases arising in connection with applicants for government employment.

The members of all these boards will be selected by responsible officials and in connection with their selection the greatest care will be exercised. Each of the proposed members will be most carefully investigated, to the end that an impartial, intelligent and competent detail of boards may be created. Each of these boards will have all necessary assistance of a legal nature, and will operate specifically under directives approved and issued by the Loyalty Review Board. It may be helpful to the public to explain, briefly, the procedure which we have thus formulated.

Every employe of the Govern-

ment is presently required to furnish his or her fingerprints, together with an informational, factual personal statement in writing. This material, in the case of each employe, will be transmitted to the Federal Bureau of Investigation where it will be checked against the bureau fingerprints records and any other records in the bureau relevant to any question of loyalty. If nothing of a derogatory nature is thus developed, no further attention will be given it by the bureau. We think the overwhelming majority of employes will be thus freed from further loyalty investigations.

However, if such investigation by the bureau disclosed derogatory matters or facts which might have relevancy to a question of loyalty, or if from other sources the bureau should be advised of such pertinent facts, it is then the duty of the bureau to proceed with a full and complete investigation of such particular employe. In such investigation, the bureau will have the advantage of reports of all Governmental investigations of, or material concerning, the particular employe under examination, so that it may be said that the entire information in the possession of the Government with reference to such employe will thus be funneled into the bureau for consideration in the bureau investigation.

When the investigating agent shall have completed his investigation, and the bureau shall have finally approved his proposed report, such report will go to the head of the department in which the particular employe is employed, or, in the case of an applicant for employment, to the regional office in the area in which the application shall have been made.

Employe Assured of Secrecy

Upon receipt of such report by the proper official, it will be at once presented to the appropriate loyalty board, whereupon such board must examine it, and, if from such examination, it is satisfied that no reasonable basis for questioning the employe's loyalty exists, it will so report and the entire investigation is thereupon closed. Here again, I expect many employes to be freed from further loyalty investigation.

Moreover, it will be observed, that, up to this point, all of the proceedings looking toward the investigation of a particular employe are intended to be kept entirely secret, free from any publicity, and very probably, in many cases, without even the knowledge of the employe under investigation. The board has approved such closed procedure, believing that questions as to employe loyalty are so important that such employe should be carefully protected against any possible disclosure that his loyalty is under scrutiny, until a hearing shall have been held and a preliminary determination reached.

However, if from an examination of the bureau report, the agency loyalty board or the regional loyalty board, as the case may be, is of the opinion that possible derogatory facts exist which require explanation, then it is the duty of the board, if an agency board, to prepare a letter of charges for presentation to the particular employe involved. We shall make every effort to see that this letter of charges sets forth clearly the facts upon which the question of loyalty will depend, and that such facts are stated in the fullest permissible detail, to the end that the employe may be fully advised as to the charges against him, in order to prepare his defense.

With respect to regional boards, instead of a letter of charges, written interrogatories will be issued by the regional board covering every fact upon which a determination of loyalty or disloyalty is to be made by the board, and with the same attention to detail stated above.

In all cases, if the employe desires a hearing, a speedy hearing will be granted him, and at such hearing he will be permitted to appear personally, and if he so desires, to be aided by an attorney or other representative, with full right to introduce his evidence. The proceedings in such hearing will be duly transcribed, and, upon demand, a copy of such transcript will be furnished to such employe.

The hearings will be private, for the reasons I have heretofore indicated, and no persons will be permitted to be present except essential government representatives, the board, the employe, his attorney, and his witnesses.

FBI Reports Not Binding

Thus it will be observed that the FBI report occupies an exceedingly important position in the establishment of the facts upon which an ultimate determination as to loyalty will be made. It should be clearly understood that the FBI reports are not binding on the board. Indeed, the fact of non-confrontation of witnesses, since it operates to the disadvantage of the employe, is a fact to be considered in the adjudication, and such fact will be weighed with other facts in determining whether or not an individual is disloyal. It is important, therefore, to observe that for reasons noted hereafter the employe will not be permitted to examine or inspect this report of the bureau, at any time, and such deprivation gives rise to one of the very controversial points involved in the operation of the entire loyalty program.

The point has been vigorously presented to us as follows, "Every employe accused of disloyalty should be given the right to confront his accusers, and subject them to cross-examination." This contention has obvious force, and presents grave considerations to us. Why have we been unable to accept it?

In nearly all cases the bureau secures the facts for inclusion in its reports from confidential sources, many of them closely connected with considerations sounding in national security. We are advised by the bureau, that, in its experienced opinion, practically none of the evidential sources available will continue to be available to the bureau if proper secrecy and confidence cannot at all times be maintained with respect to the original source of information, and that if the source of such information is to be disclosed—save in the exceptional cases—the bureau can be of much less service to the board in making the essential basic investigation.

In cases where sources of evidence are not confidential, and disclosure of sources, possibly with pertinent oral testimony, will not tend to hinder or impede the investigative work of the bureau, we will make every reasonable effort to extend the scope of the evidential source disclosure, to the affected employe, at the hearing. But it must be appreciated that in the great majority of the cases, we apprehend that disclosure of evidential sources to the employe, and the resulting opportunity of cross-examination of such sources by him, will probably not be practicable.

We recognize that the use of such a report as evidence by the various loyalty boards, without disclosure of the contents to the employe, does subject the employe to non-confrontation of witnesses against him, and does deprive him of the right of cross-examination of such witnesses—a situation which ought to, and does, give rise to most serious questions in the minds of the general public. So serious is such a situation that it has been strongly urged upon us by responsible persons, that, rather than permit such a situation to exist, the entire loyalty program should be abandoned, even if the Government should thereupon be compelled to cease attempting to screen out disloyal employes.

Rights Over Employes Cited

We have given the matter the most careful consideration, and we can see no way in which the loyalty program may have the benefit of the skilled investigation of any competent investigative agency, and particularly of the Federal Bureau of Investigation, unless the facts received in confidence by the investigators can be kept entirely confidential at all times and under all conditions.

We were, therefore, faced with the decision whether to refuse at all times to disclose the bureau report to the employe—save in the exceptional cases noted above—or to advise the Civil Service Commission that, in our opinion, the proposed loyalty program as planned should not be permitted to function.

After the most careful consideration, we have concluded that the objection to non-confrontation and no cross-examination, while important, is not essentially controlling.

In the first place, the board is of the opinion, that, legally, the Government is entitled to discharge any employe for reasons which seem sufficient to the Government, and without extending to such employe any hearing whatsoever. We believe that the rights of the Government in that respect are at least equal to those possessed by private employers. We also think that the Government, if necessary, may conclude that any suspicion of disloyalty whatsoever, however remote, might, in view of the dangerous possibilities involved, suffice to warrant employe dismissal without hearing.

Having in mind what we have thus indicated the board believes are the basic legal rights of the Government, and in an effort to avoid the serious objections indicated, we have endeavored to plan methods of procedure and determination in loyalty cases, calculated to minimize to the fullest degree possible, any possible injustice which might be visited upon an employe by reason of the Government's refusal to disclose the bureau report and the original evidence sources.

To this end, and as I have pointed out, we will extend to each employe through a letter of charges or a bill of interrogatories, as the case may be, a detailed identification of the facts upon which the board proposes to consider the question of disloyalty. We will require a proper hearing on such charges, with full right to the employe to be present with his counsel and witnesses, and we have directed the delivery to the employe of a transcript of such hearing, if requested. Moreover, we shall specifically require the loyalty board to give careful consideration in its final determination as to whether, in the opinion of the board, the employe has been actually handicapped in his defense because of the non-confrontation and lack of opportunity to cross-examine source witnesses. Moreover, under the Executive Order, a specific rule of decision is established, to wit:

"* * * Whether on all the evidence in the record, reasonable grounds exist for belief that the person involved is disloyal."

Appeal to Superior Afforded

In further protection to the employe, if the conclusion of the initial loyalty board should be unfavorable to him, the Executive Order provides for the right of appeal to the head of the agency or department, with a duty imposed upon such head to grant the employe a proper hearing and review, with a speedy determination thereon. This agency head is, under governmental procedure, a very important figure in the life of an employe, and we regard a review by him as of the greatest importance.

If the decision upon such appeal is again unfavorable, we have provided for a further appeal to our Loyalty Review Board, granting to the employe the right of appearance before a panel of the board, with his attorney or representative, and with a right of argument on the full record. Thereafter, the board may, in its discretion upon majority vote, review the decision of its panel. In the interest of uniformity, and to see that this procedure is properly followed, we intend to maintain a careful check on all proceedings in the various loyalty boards, the decisions made by such boards, and may, in our discretion, remand any proceeding back for further investigation, examination, hearing and determination. No such permissions have ever before been extended to investigated employes by the Government.

When the scope of the review and hearing rights thus extended to the employe is considered, and in the light of the general public confidence in the Federal Bureau of Investigation, and the procedure the bureau has adopted in connection with the loyalty program, together with the testing rule requiring the ultimate establishment, under all the evidence, of reasonable grounds for believing that the employe is disloyal, we have felt that the Government might justly carry on the proposed loyalty program, even though an affected employe may have had neither confirmation or cross-examination of evidence sources under the agency report. If further experience shall change our minds in this regard, we shall not hesitate to so report.

We are not at all oblivious to the difficulties involved in the determination of questions sounding in personal loyalty. We intend to point out to all persons charged with the carrying out of our proposed program, that the probative value of evidence of past or present membership in, affiliation with or sympathetic association with, any one or more of the organizations now or hereafter designated by the Attorney General can be fairly evaluated only after determining, so far as possible, the character of the organization, the period, nature and duration of the association, whether the employe or applicant was aware of the subversive character of the organization at the time of such association, and the nature of his activities in connection with such organization.

"Witch Hunt" Is Barred

It must not be forgotten that in considering the question of membership in disloyal or subversive organizations, each employe is presently required as a condition to employment, to state, under oath, that he is not a member of an organization that advocates the overthrow of the Government of the United States by force or violence.

We are insistent that our administration of the program shall not degenerate into a witch hunt. The board feels strongly that advocacy of whatever change in the form of government or the economic system of the United States, or both, however far-reaching such change may be, is not disloyalty, unless that advocacy is coupled with the advocacy or approval, either singly or in concert with others, of the use of unconstitutional means to effect such change.

The welfare of the civil service, upon the wisdom, independence and morale of which, the security of the United States is heavily dependent, requires that all employes, and all who may aspire to become employes, of the Government, should not only be, but feel, free to join, affiliate or associate with support or oppose any organization, liberal or conservative, which is not disloyal.

We have therefore reached the conclusion that the proposed loyalty program can thus be reasonably effectuated, without, in any unwise way, encroaching upon essential employe rights. We are persuaded that if, after three impartial examinations as to the fact, it is finally determined that reasonable grounds do exist for the belief that the employe is disloyal, the Government ought not to be required to permit the continuance of such an employe in its service. We strongly believe that persons holding beliefs calling for a change in our form of

DEC 1947

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government through the use of force or other unconstitutional means, who indicate these beliefs by association or conduct, and persons who demonstrate that their allegiance is primarily to some foreign power or influence, and that they desire to overthrow our Government, have no constitutional or moral right to remain in, or enter upon the service of our nation. In the meantime the board will do its utmost to see that justice is done, that individual rights are protected as fully as may be, and that disloyal persons are removed from the service without injury to loyal employes resulting from charges which are without adequate foundation.

SETH W. RICHARDSON,
Chairman
Loyalty Review Board.
Dec. 23, 1947.

NIGHT LEAD COMMUNIST (WITH ATHENS)

MOSCOW, DEC 27-(AP)-THE TRADE UNION NEWSPAPER TRUD, IN THE FIRST PUBLISHED COMMENT IN RUSSIA ON THE PROCLAMATION OF AN INDEPENDENT COMMUNIST STATE IN GREECE, SAID TODAY THE UNDERTAKING WAS "NOBLE" AND REPRESENTS THE DESIRES "OF ALL GREEK PATRIOTS."

DEC 1947

(THE MOSCOW RADIO BROADCAST THAT A "NATIONAL COMMITTEE FOR AID TO THE GREEK PEOPLE" HAD BEEN SET UP IN BULGARIA ON THE INITIATIVE OF THE FATHERLAND FRONT'S NATIONAL COMMITTEE. THE FATHERLAND FRONT IS THE DOMINANT POLITICAL ORGANIZATION IN BULGARIA.

(THE BROADCAST, QUOTING THE BULGARIAN TELEGRAPH AGENCY, SAID THE NEW GROUP IS HEADED BY A DR. AHGELOFF, A MEMBER OF THE PRESIDUM OF THE GRAND NATIONAL ASSEMBLY, AND INCLUDES REPRESENTATIVES OF SOCIAL AND CULTURAL ORGANIZATIONS AS WELL AS "PROMINENT PUBLIC PERSONAGES."

(A SOFIA DISPATCH SAID THE COMMITTEE HAD TELEGRAPHED CONGRATULATIONS TO THE COMMUNIST GREEK STATE PROCLAIMED BY GUERRILLA CHIEFTAIN MARKOS VIFIADES AND HAD PROMISED "EVERY MORAL SUPPORT.")

TRUD'S COMMENTARY BY L. SIMIN WAS CARRIED UNDER THE HEADLINE: "GREEK PEOPLE HATE INTERVENTIONISTS."

THE ARTICLE DECLARED: "THE WAR OF IMPERIALISTS AGAINST THE GREEK PEOPLE HAS LASTED OVER THE YEARS. ENGLISH AND AMERICAN INTERVENTIONISTS SEEK TO CONVERT GREECE INTO THEIR COLONY UNDER THE DISGUISE OF AID, TO MAKE IT (GREECE) INTO A BEACHHEAD IN THE BALKANS. ALL THEIR EFFORTS SUFFER FAILURE AND ARE SMASHED AGAINST THE HEROIC STOICISM OF GREEK PATRIOTS DEFENDING THEIR FREEDOM AND THE INDEPENDENCE OF THEIR COUNTRY."

DA506PES

FIRST LEAD FRENCH

PARIS, DEC 27-(AP)-THE NATIONAL ASSEMBLY VOTED JUST BEFORE MIDNIGHT TO SPEND ALMOST THE SAME AMOUNT OF MONEY TO RUN THE GOVERNMENT IN 1948 AS WAS SPENT IN 1947.

THE BUDGET IT APPROVED, HOWEVER, IS A STOPGAP MEASURE AND IS TO BE REPLACED EARLY IN THE NEW YEAR WITH A REGULAR BUDGET TAKING INTO ACCOUNT 1948 CONDITIONS.

THE UNOFFICIAL TALLY ON THE BUDGET WAS 387 IN FAVOR AND 215 IN OPPOSITION, THE LATTER MOSTLY COMMUNISTS.

THE ASSEMBLY DECIDED TO COPY THE 1947 BUDGET, WITH SOME EXCEPTIONSBETWEEN HISSAW IT COULD NOT FINISH AN APPROPRIATION MURE

THE ASSEMBLY DECIDED TO COPY THE 1947 BUDGET, WITH SOME EXCEPTIONS, WHEN IT SAW IT COULD NOT FINISH AN APPROPRIATION MEASURE ANNNRENT LI

ALONG DIFERENT LINES BEFORE THE END OF THIS YYAR.

THE VOTE FOLLOWED A REPORT THAT THE COMMUNISTS AND THE GOVERNMENT HAD REACHED AN AGREEMENT TO CUT THE DEBATE SHORT.

THE COMMUNISTS WERE REPORTED WITHOUT CONFIRMATION TO HAVE AGREED TO REFRAIN FROM CERTAIN DILATORY TACTICS IN RETURN FOR A GOVERNMENT PROMISE NOT TO PRESS FOR A NEW ELECTION OF ASSEMBLY OFFICIALS, WHICH WOULD DEPRIVE COMMUNISTS OF IMPORTANT COMMITTEE POSTS.

MEANWHILE, MINOR POINTS OF EXPENDITURE WERE BEING DEBATED.

THE ASSEMBLY HAS DECIDED THAT IT CAN NOT COMPLETE A NEW BUDGET BY THE END OF THE YEAR AND IS WORKING ON A BILL THAT SIMPLY WOULD APPROPRIATE THE SAME AMOUNTS FOR NEXT YEAR AS WERE SPENT IN 1947.

DEC 1947

THIS YEAR'S ORDINARY EXPENDITURES HAVE BEEN ESTIMATED AT ABOUT 900,000,000,000 (BILLION) FRANCS (ABOUT $7,500,000,000--BILLION). BUT OF THIS SUM, THE PROPOSED STOPGAP BUDGET ELIMINATES AN ITEM OF SOME 67,000,000,000 (BILLION) FRANCS ($570,000,000--MILLION) FOR PRICE SUBSIDIES AND DOES NOT PROVIDE FOR ANY MILITARY EXPENDITURES. THE GOVERNMENT PLANS TO DECIDE MILITARY SPENDING--ALMOST A QUARTER OF THE TOTAL BUDGET--ON A MONTH-TO-MONTH BASIS.

IN ADDITION TO THE STOPGAP ORDINARY BUDGET, THE GOVERNMENT HAS PROPOSED AN EXTRAORDINARY BUDGET FOR 1948 OF ABOUT 230,000,000,000 FRANCS (JUST UNDER $2,000,000,000) TO FINANCE POSTWAR RECONSTRUCTION.

THE PURPOSE OF REENACTING THE 1947 BUDGET IS MERELY TO KEEP THE GOVERNMENT RUNNING AFTER JAN. 1. EARLY IN THE NEW YEAR, THE ASSEMBLY IS EXPECTED TO RESUME WORK ON A BUDGET TAILORED TO 1948 NEEDS.

DA512PES

JOUHAUX'S FOLLOWERS MAKE NO SECRET OF THE FACT THAT THEY ARE ANGLING FOR THE APPROVAL OF THE WORLD FEDERATION OF TRADE UNIONS. DURING THAT BODY'S LAST EXECUTIVE COMMITTEE MEETING IN PARIS, JAMES B. CAREY, AMERICAN DELEGATE AND CIO LEADER, DECLARED "ALL THE WORLD KNOWS WHAT LEON JOUHAUX HAS DONE FOR THE LABOR MOVEMENT."

THE YOUTH ORGANIZATION, AT ITS CONCEPTION NO DIFFERENT THAN ANY ONE OF A DOZEN OTHER YOUNG PEOPLES GROUPS IN FRANCE, IS IMPORTANT FOR TWO REASONS, OBSERVERS FEEL--ITS POTENTIAL SIZE AND ITS INDICATION THAT DEGAULLE'S FRENCH PEOPLES PARTY PLANS ON BEING A FACTOR IN POLITICAL AFFAIRS FOR A LONG TIME.

DEGAULLE'S TALL HANDSOME FIGURE HAS LONG BEEN A POPULAR SUBJECT, HIS PICTURE IN UNIFORM BEING DISPLAYED AT ALMOST EVERY CROSS ROADS STORE IN THE COUNTRY BECAUSE OF HIS WAR RECORD.

"IT'S LIKE ASKING AMERICAN BOYS TO JOIN AN EISENHOWER OR MACARTHUR

CLUB," ONE OBSERVER SAID.
OBSERVERS SAID AT THE TIME OF THE MUNICIPAL ELECTIONS THE RESULTS SHOWED A STRONG INCLINATION TO RUSH TO DEGAULLE AS A SAVIOR FROM THE EASTERN MENACE OF COMMUNISM.
ORGANIZERS OF THE YOUTH MOVEMENT SAID 90 DEPARTMENT CHIERS HAVE ALREADY BEEN APPOINTED TO ORGANIZE THE YOUNG PEOPLE THROUGHOUT THE COUNTRY. ADD PARIS (US AID PLAN) XXX COMMUNISTS (NEW)
BD319PES

BY TOM REEDY
MUNICH, DEC.27-(AP)-DR. RUDOLF PAUL, FORMER MINISTER PRESIDENT OF THURINGIA, SAID TODAY HE WAS FORCED TO FLEE THE RUSSIAN ZONE BECAUSE HE ADVOCATED THE MARSHALL PLAN.
PAUL LEFT RUSSIAN-OCCUPIED THURINGIA SEPT. 1 WITH HIS WIFE, ENTERING THE AMERICAN OCCUPIED ZONE WHERE, IN EFFECT, HE HAS BEEN IN HIDING. HE VISITED MUNICH OVER CHRISTMAS AND IS STAYING IN THE HOME OF MINISTER PRESIDENT HANS EHARD OF BAVARIA.
PAUL, A FORMER LEADER OF THE RIGHT-WING LIBERAL DEMOCRATIC PARTY, HAD THE BACKING OF THE SOVIET-SPONSORED SOCIALIST UNITY PARTY (SED) FOR THE PRESIDENCY OF THURINGIA.
IN AN INTERVIEW TODAY PAUL SAID HE SPLIT WITH THE SOVIET OCCUPATION AUTHORITIES AFTER HE FIRST ADVOCATED THE MARSHALL PLAN FOR RESTORING THE ECONOMY OF EUROPE.
PAUL CHARGED THAT HIS NAME WAS FORGED ON DOCUMENTS AND STATEMENTS CRITICIZING THE MARSHALL PLAN. HE SAID THE FORGERY WAS DONE BY "LEADING MEN" IN THE SOVIET ZONE BUT HE DECLINED TO SAY WHETHER THEY WERE RUSSIANS OR GERMAN COMMUNISTS.
ON TOP OF THAT, PAUL ASSERTED THAT "CRIMINAL ELEMENTS" OF THE GERMAN POPULATION WERE BEING FOSTERED BY THE SOVIET OCCUPATION PEOPLE AND IN SOME CASES EVEN WERE PROMOTED TO PUBLIC OFFICE.
NOW 54 YEARS OLD, PAUL SAID THAT HE WAS WITHDRAWING FROM POLITICS FOR THE PRESENT AND INTENDED TO WRITE HIS MEMOIRS.
THE INTERVIEW WAS OBTAINED BY A REPORTER FOR THE AMERICAN-SPONSORED GERMAN NEWSPAPER, "DIE NEUE ZEITUNGMZ PAUL DECLINED TO TALK WITH OTHER CORRESPONDENTS.
JT530PES

ROME, DEC. 27-(AP)-A DEFENSE MINISTRY SPOKESMAN TODAY DEFENDED THE RECORD OF GEN. TADDEO ORLANDO, UNDERSECRETARY OF THE ARMY WHOM THE YUGOSLAV GOVERNMENT HAS DEMANDED FOR TRIAL ON WAR CRIMES CHARGES.
THE FOREIGN MINISTRY SAID IT HAD NO COMMENT ON THE YUGOSLAV DEMAND FOR EXTRADITION OF ANOTHER ITALIAN WANTED FOR THE SAME CHARGE IN YUGOSLAVIA. AN OFFICIAL SAID THAT WHILE BELGRADE DISPATCHES IDENTIFIED THIS MAN AS ACHILLE MARAZZA, UNDERSECRETARY IN THE INTERIOR MINISTRY, THE REQUEST TRANSMITTED TO THE GOVERNMENT NAMED ONLY A "MAJOR MARAZZA."
THE DEFENSE MINISTRY SPOKESMAN RECALLED ORLANDO'S RECORD AS COMMANDER OF A DIVISION AT LJUBLJANA DURING THE WAR AND HIS RECORD AFTER THE ARMISTICE AS MINISTER OF WAR CHARGED WITH REORGANIZING THE ARMY TO FIGHT ALONGSIDE THE ALLIES.
THE YUGOSLAV DEMANDS WERE TRANSMITTED TO THE ITALIAN GOVERNMENT DEC. 18, BELGRADE DISPATCHES SAID YESTERDAY, ADDING THAT THERE HAD BEEN NO REPLY.
TU1026AES

NIGHT LEAD ITALIAN (400)
ROME, DEC.27-(AP)-PRESIDENT ENRICO DE NICOLA SIGNED THE CONSTITUTION OF THE ITALIAN REPUBLIC TODAY IN THE LIBRARY OF THE PALAZZO GIUSTINIANI. THE CHARTER WILL BECOME EFFECTIVE AS ITALIANS WELCOME THE NEW YEAR.
AFTER DE NICOLA SIGNED, UMBERTO TERRACINI, COMMUNIST PRESIDENT OF THE CONSTITUENT ASSEMBLY, AND PREMIER ALCIDE DE GASPERI ADDED THEIR SIGNATURES.
ALL MEMBERS OF THE GOVERNMENT EXCEPT WHITE-BEARDED 71-YEAR-OLD LUDOVICO D'ARAGONA, MINISTER OF POSTS AND TELEGRAPH, WERE PRESENT.
DE NICOLA CAME TO ROME FROM TORRE DEL GRECO ON THE BAY OF NAPLES, WHERE HE HAD BEEN SPENDING THE CHRISTMAS HOLIDAYS. DE GASPERI, WHO WAS SUFFERING YESTERDAY FROM A SLIGHT ATTACK OF INFLUENZA, ROSE FROM A SICK BED TO BE PRESENT.
WHILE THE SIGNING CEREMONY WAS IN PROGRESS COMMUNISTS MOBILIZED THEIR FORCES THROUGHOUT ITALY FOR A NEW ASSAULT ON DE GASPERI'S MIDDLE-OF-THE-ROAD GOVERNMENT. ITALY HAS EXPERIENCED TWO MONTHS OF ALMOST INCESSANT COMMUNIST-INSPIRED VIOLENCE AND STRIKES.
THE COMMUNIST-LED "CONGRESS OF CONGRESSES" MET TODAY. THIS SESSION BRINGS TOGETHER EXECUTIVE BODIES ELECTED IN RECENT CONGRESSES WHICH HAVE LAID PLANS FOR REVOLUTIONARY MOVEMENTS IN FACTORIES AND ON THE LAND.
TOMORROW THE NATIONAL COUNCIL OF THE COMMUNIST-DOMINATED GENERAL CONFEDERATION OF LABOR WILL MEET IN ROME. THERE WILL BE A SIMULTANEOUS GATHERING OF COMMUNIST PARTY CARD HOLDERS IN ROME PROVINCE.
34
IN FLORENCE, COMMUNIST AND PRO-COMMUNIST SOCIALIST MAYORS FROM THROUGHOUT ITALY MET AND CREATED A LEAGUE OF COMMUNES, VOTED TO ADHERE TO A "POPULAR DEMOCRATIC FRONT" IN THE 1948 GENERAL ELECTION AND ADOPTED A RESOLUTION ASKING LOCAL AUTONOMY UNDER THE NEW CONSTITUTION AND A MORE VIGOROUS PUBLIC WORKS PROGRAM.
THE COMMUNISTS OF ROME PROVINCE WILL BE JOINED IN THEIR MEETING TOMORROW BY PRO-COMMUNIST SOCIALISTS. COMMUNIST LEADER PALMIRO TOGLIATTI AND SOCIALIST LEADER PIETRO NENNI WILL SPEAK.
THE NATIONAL CONGRESS OF THE ITALIAN COMMUNIST PARTY, THE LAST BEFORE THE 1948 ELECTION, WILL BE HELD IN MILAN JAN. 4 TO 10. AN ECONOMIC CONFERENCE THERE, PARALLELING THE CONGRESS, WILL "STUDY THE MOST URGENT PROBLEMS OF THE COUNTRY'S PRESENT SITUATION," COMMUNIST HEADQUARTERS HAS ANNOUNCED.
A STRIKE OF PUBLIC SERVICE WORKERS ENDED TODAY ALMOST AS QUICKLY AS IT HAD STARTED IN PETRALPA, PALERMO PROVINCE, SICILY, THE ITALIAN NEWS AGENCY ANSA SAID.
THE AGENCY REPORTED SEVERAL THOUSAND CITIZENS GATHERED IN FRONT OF THE COMMUNITY ELECTRIC PLANT TO PROTEST, AND THE LOCAL CHAMBER OF LABOR WAS PERSUADED TO CALL OFF THE STRIKE.
JT&JS614PES

ROME, DEC.27-(AP)-COMMUNISTS MOBILIZED THEIR FORCES THROUGHOUT ITALY TODAY FOR A NEW ASSAULT ON PREMIER ALCIDE DE GASPERI'S GOVERNMENT.
MEANWYILE THE LEFTIST PRESS HAILED THE "FREE GOVERNMENT OF GREECE" AND THE COMMUNIST NEWSPAPER L'UNITA ASSAILED WHAT IT CALLED POPE PIUS XII'S "MOST VIOLENT CHRISTMAS EVE SPEECH.
TODAY'S INITIAL MEETING OF THE COMMUNIST-LED "CONGRESS OF CONGRESSES" BRINGS TOGETHER EXECUTIVE BODIES ELECTED IN RECENT CONGRESSES WHICH HAVE MADE PLANS FOR REVOLUTIONARY MOVEMENTS. IT FOLLOWS TWO MONTHS OF ALMOST INCESSANT COMMUNIST-INSPIRED VIOLENCE AND STRIKES.
FH808AES

30.24- 14505

ROME, DEC. 27-(AP)-OFFICERS OF THE FOREIGN OFFICE AND THE YUGOSLAV MINISTER HELD THEIR FIRST TALK YESTERDAY ON THE APPOINTMENT OF A GOVERNOR FOR THE TRIESTE FREE TERRITORY. UNDER UNITED NATIONS INSTRUCTIONS, ITALY AND YUGOSLAVIA ARE TO AGREE ON A GOVERNOR BY JAN. 5. FOREIGN MINISTER CARLO SFORZA WAS REPRESENTED AS HOPEFUL OF AN AGREEMENT BY THAT TIME.

TU912AES

ROME, DEC. 27-(AP)-ITALIANS, WHO DON'T MAKE FLAPJACKS, ARE GOING TO HAVE TO LEARN SOME USES FOR SYRUP.

DREW PEARSON, A SPONSOR OF THE FRIENDSHIP TRAIN SHIPMENTS FROM THE UNITED STATES, SAID TODAY THAT 5,000 TONS OF FOOD BEGINNING TO ARRIVE TOMORROW INCLUDES 30 TONS OF BREAKFAST SYRUP CONTRIBUTED BY CITIZENS OF CHARLESTON, W.VA. HE PREDICTED GOOD USE OF THE SYRUP WILL BE MADE UNDER THE GUIDANCE OF U.S. WELFARE AGENCIES.

TU1203PES

DEC 1947

NANKING, DEC 27 (AP)-REPORTS REACHING HERE TODAY SAI THAT A COMMUNIST FORCE ATTACKED THE UNDEFENDED FRENCH CATHOLIC MISSION IN THE PAKHOI REGION OF KWANGSI PROVINCE, DESTROYING THE MISSION AND WOUNDING SEVERAL, INCLUDING TWO FRENCH PRIESTS.

NATIONAL TROOPS FROM A NEARBY GARRISON ARRIVED TOO LATE, THE REPORT SAID.

GG736ACS NM

SINGAPORE, SUNDAY, DEC. 28-(AP)-THE SUNDAY TRIBUNE SAID TODAY THAT THE SINGAPORE FEDERATION OF TRADE UNIONS HAS ORDERED A BOYCOTT OF SHIPS CARRYING ARMS FROM CANADA TO CHINA WHEN THEY PASS THROUGH SINGAPORE.

THE TRIBUNE SAID THE BOYCOTT FIRST WOULD AFFECT THE SS GULFSIDE WHICH IS EXPECTED HERE SHORTLY EN ROUTE TO CHINA WITH WAR MATERIALS.

THE PAPER SAID THE CANADIAN SHIP CLIFFSIDE CAME INTO SINGAPORE HARBOR CHRISTMAS DAY WITH 2500 TONS OF AMMUNITION, FOUR MOSQUITO BOMBERS AND AN UNASSEMBLED SMALL ARMS FACTORY. THE CARGO WAS VALUED AT $6,000,000.

THE FEDERATION OF TRADE UNIONS ORDERED A BOYCOTT AGAINST THE CLIFFSIDE BUT BEFORE IT WENT INTO EFFECT THE SHIP WAS DISCHARGED WITH 150 TONS OF LOCAL CARGO AND PROCEEDED TO CHINA.

THE TRIBUNE SAID THAT BOTH THE SEAMAN'S UNION AND THE HARBOR BOARD WORKERS WOULD BE AFFECTED BY THE BOYCOTT.

RW1239AES

SINGAPORE, DEC 27-(AP)-A MASS MEETING OF 4,000 MOSLEMS TODAY APPROVED A RESOLUTION PROTESTING THE PROJECTED PARTITION OF PALESTINE. SPEAKERS URGED THE GATHERING TO "BRING PRESSURE" AGAINST JEWS IN SINGAPORE TO "CONVINCE THEM" THAT PARTITION WAS UNWISE.

V343AES

TOKYO, DEC. 27-(AP)-CLIFTON JACKSON, JR., 3-YEAR-OLD SON OF A MASTE SERGEANT FROM HARDIN, ILL., HAS BEEN FLOWN TO SAN FRANCISCO FOR TREATMENT OF AN INJURY TO HIS RIGHT EYE SUFFERED WHEN HE STRUCK HIMSELF WITH A PAIR OF PLIERS, THE EIGHTH ARMY REPORTED TODAY.

THE CHILD LEFT FOR THE UNITED STATES WITH HIS MOTHER DEC. 21. HE WAS INJURED DEC. 10 AND WAS BROUGHT TO TOKYO FOR TREATMENT FROM KOKURA WHERE HIS FATHER IS STATIONED WITH THE 24TH DIVISION.

RA310ACS

WASHINGTON, DEC.27-(AP)-SENATOR JOHNSON (D-COLO) ESTIMATED TODAY THAT $2,160,000,000 (BILLION) IS ABOUT THE AMOUNT THE UNITED STATES CAN AFFORD FOR FOREIGN RELIEF WITHIN A YEAR "WITHOUT UPSETTING OUR OWN ECONOMY OR CAUSING DANGEROUS SHORTAGES AT HOME."

THE FIGURE, HE SAID IN AN INTERVIEW, WOULD APPROXIMATE THE RATE OF ASSISTANCE WHICH THIS COUNTRY IS NOW APPROPRIATING FOR SO-CALLED STOP GAP AID.

IF THE NATION GOES MUCH BEYOND THAT AMOUNT, HE SAID, IT WILL FACE RIGID REGIMENTATION AND PRICE CONTROLS.

JOHNSON SAID HE FEELS THAT THE FOREIGN AID PROGRAM SHOULD BE KEPT ON A YEAR-TO-YEAR BASIS, WITH FREQUENT APPRAISALS OF THIS COUNTRY'S OWN ECONOMIC CONDITION, THE EFFECTS OF RELIEF ABROAD, AND THE CONTRIBUTIONS WHICH MARSHALL-PLAN NATIONS THEMSELVES ARE MAKING TOWARD RECOVERY.

DEC 1947

"WE SHOULD LEAVE CONGRESS ABSOLUTELY FREE TO DEAL WITH THE SITUATION ON THE BASIS OF THESE EXPERIENCES," HE SAID.

IT IS JOHNSON'S VIEW THAT FOREIGN AID SHOULD BE MEASURED IN TERMS OF THIS COUNTRY'S OWN SURPLUS SUPPLY OF FOOD.

"WE HAVE GOT TO THINK IN TERMS OF GOODS," HE SAID, "BECAUSE DOLLARS WILL COME BACK TO COMPETE IN OUR OWN MARKETS FOR THE GOODS.

THE COLORADO SENATOR STATED THAT HE WOULD BE OPPOSED TO A MULTIPLE-YEAR AID PROGRAM "THAT HOLDS OUT A PROMISE OF FULFILLMENT, WHEN WE DON'T KNOW IF WE CAN FULFILL IT."

"WE COULD APPROPRIATE BILLIONS OF DOLLARS, BUT DO WE HAVE THE GOODS TO BACK UP THE DOLLARS?" HE ASKED. "THAT IS WHAT WE MUST THINK ABOUT."

EXPRESING BELIEF THAT RIGID CONTROLS AT HOME WILL NOT BE NECESSARY IF FOREIGN ASSISTANCE IS CONFINED TO SURPLUSES, JOHNSON SAID:

DEC - 1947

"IF OUR OBJECTIVE IS TO RELIEVE FAMINE, THAT IS ONE THING. IF OUR OBJECTIVE IS TO GIVE EUROPE A STREAMLINED MASS PRODUCTION INDUSTRY, THAT IS SOMETHING ELSE.

"MY OWN OBJECTIVES ARE STRICTLY HUMANITARIAN."

JOHNSON SAID HE FELT THAT IN THE MATTER OF FOREIGN AID IT IS BETTER FOR THE UNITED STATES TO "PUT ALL COUNTRIES IN ONE BASKET", RATHER THAN DEAL WITH THEM INDIVIDUALLY.

VH530PES

(ADVANCE)..WASHINGTON,DEC.27-(AP)-SENATOR BUTLER (R-NEB) BLUNTLY WROTE SECRETARY OF STATE MARSHALL TODAY THAT IF HE WANTED CONGRESSIONAL APPROVAL OF FOREIGN AID PROGRAMS "YOU WILL MAKE EVERY EFFORT TO DISTURB PRIVATE CHANNELS OF TRADE AS LITTLE AS POSSIBLE."

THE LETTER, MADE PUBLIC BY BUTLER, WAS IN PROTEST OF WHAT HE CALLED A STATE DEPARTMENT DECISION TO PROCURE FLOUR FOR FRANCE UNDER THE 1947 RELIEF ACT THROUGH THE DEPARTMENT OF AGRICULTURE RATHER THAN THROUGH PRIVATE FIRMS.

BUTLER EXPRESSED BELIEF THAT THE STATE DEPARTMENT ALSO PLANNED TO HAVE THE GOVERNMENT PROCURE SUPPLIES FOR FOREIGN NATIONS "IF AND WHEN THE EUROPEAN RECOVERY PLAN IS ENACTED" AND DECLARED:

"IT IS A PATTERN WHICH APPEARS TO LEAD TO COMPLETE GOVERNMENT MONOPOLY OF FOREIGN TRADE." HE ADDED:

"ON THE OTHER HAND, IT APPEARS TO ME THAT YOU SHOULD REALIZE HOW SUCH A PROGRAM OF GOVERNMENT MONOPOLY INEVITABLY STIFFENS OPPOSITION TO ANY AND ALL ADDITIONAL PROPOSALS FOR ASSISTANCE TO FOREIGN COUNTRIES. IF YOU ARE PRIMARILY INTERESTED IN SECURING THE ADOPTION BY CONGRESS OF THESE VARIOUS FOREIGN ASSISTANCE PROGRAMS, YOU WILL MAKE EVERY EFFORT TO DISTURB PRIVATE CHANNELS OF TRADE AS LITTLE AS POSSIBLE."

(END ADVANCE FOR USE AT 6 P.M., EST, TODAY, SATURDAY, DEC.27)

AB450PES

(300) LOBBYING

BY HOWARD DOBSON

DEC 1947

WASHINGTON,DEC.27-(AP)-A HOUSE GROUP CAST A CRITICAL EYE TODAY AT THE STATE DEPARTMENT TO SEE HOW MUCH MONEY--IF ANY--IT IS SPENDING TO SELL AMERICA ON THE MARSHALL PLAN FOR EUROPEAN AID.

THE COMMITTEE ALSO IS INTERESTED IN FINDING OUT HOW THE CITIZENS FOOD CONSERVATION COMMITTEE GOT ITS SPENDING MONEY.

A HOUSE SUBCOMMITTEE ON EXECUTIVE EXPENDITURES, IT IS HEADED BY REP.CHENOWETH (R-COLO).

HE TOLD A REPORTER TODAY HIS COMMITTEE'S INVESTIGATORS ARE AT WORK ON TWO PROBES; TO FIND OUT WHERE CHARLES J.LUCKMAN'S FOOD CONSERVATION COMMITTEE GOT $50,000 TO SPEND, AND WHAT EXPENSES THERE HAVE BEEN IN CONNECTION WITH PUBLICIZING THE MARSHALL PLAN.

HEARINGS WILL START SOON AFTER CONGRESS RETURNS NEXT MONTH, HE SAID.

"AS SOON AS WE GET THROUGH WITH THE LUCKMAN THING," CHENOWETH SAID, "WE WILL BEGIN HEARINGS ON MARSHALL PLAN PROPAGANDA. WE ARE GOING TO FIND OUT JUST WHAT THEY ARE DOING DOWN THERE TO PUSH THE PLAN.

"THIS ALL GOES BACK TO THE FACT THAT THE STATE DEPARTMENT HAS NO BUSINESS RUNNING ANYTHING DEALING WITH MONEY. WE APPROPRIATE FOR RELIEF, BUT IT JUST GOES DOWN A RATHOLE SOMEWHERE."

CHENOWETH SAID INVESTIGATORS HAVE DISCOVERED THAT $500,000 FOR THE FOOD COMMITTEE WAS TAKEN FROM THE $350,000,000 (MILLIONS) FOREIGN RELIEF FUND VOTED BY CONGRESS LAST SPRING.

THE TRANSFER WENT THROUGH THE GENERAL ACCOUNTING OFFICE, HE ADDED, AND WAS PASSED ON BY COMPTROLLER GENERAL LINDSAY WARREN.

"I DON'T KNOW JUST HOW WARREN JUSTIFIED IT," CHENOWETH SAID, "BUT WE HAVE BEEN TOLD THAT HE DECIDED THE RELIEF FUND WAS SORT OF GIVE-AWAY MONEY ANYWAY AND COULD JUST AS WELL BE SPENT BY THE FOOD COMMITTEE.

"IF THAT SORT OF THING IS TO GO ON, WE MIGHT AS WELL QUIT LEGISLATING UP HERE IN CONGRESS. WE CAN JUST GIVE THEM THE MONEY, AND THEY CAN SPEND IT WHEREVER THEY WANT."

LT141PESNM

(ADVANCE) WASHINGTON,DEC 27-(AP)-AMERICANS FOR DEMOCRATIC ACTION DECLARED TODAY THE "VAST BODY OF INDEPENDENT VOTERS" WILL SUPPORT IN 1948 ONLY CANDIDATES WHO BACK THE MARSHALL PLAN AND COMPULSORY MEASURES TO COMBAT INFLATION.

FOUR TOP OFFICERS OF THE POLITICAL ORGANIZATION ASSERTED IN A LETTER TO HOUSE AND SENATE LEADERS THAT "THOSE WHO WOULD FIDDLE AND DELAY ON THESE TWO ISSUES WILL SURELY BE ROUTED."

THE LETTER WAS SIGNED BY WILSON W.WYATT, FORMER HOUSING EXPEDITER AND NOW A.D.A. CHAIRMAN; LEON HENDERSON, FORMER PRICE CONTROL CHIEF, CHAIRMAN OF THE SECUTIVE COMMITTEE; FRANKLIN D.ROOSEVELT, JR., AND HUBERT H.HUMPHREY, MAYOR OF MINNEAPOLIS, VICE CHAIRMEN.

IN ADDITION TO THE FULL FOUR-YEAR, $17,000,000,000 (BILLION) MARSHALL PLAN FUND PRESIDENT TRUMAN HAS ASKED TO HELP RECOVERY IN 16 WESTERN EUROPEAN NATIONS, THE LETTER SAID, CONGRESS SHOULD REIMPOSE PRICE CONTROLS AND RATIONING AND "ENACT AN EFFECTIVE RENT CONTROL LAW."

IT ALSO URGED REPEAL OF THE TAFT-HARTLEY ACT, HIGHER INCOME TAX EXEMPTIONS FOR LOW INCOME EARNERS, REENACTMENT OF THE EXCESS PROFITS TAX LEGISLATION TO ADMIT 400,000 WAR REFUGEES, ANTI-LYNCHING AND FAIR EMPLOYMENT PRACTICE LAWS, APPROVAL OF THE TAFT-ELLENDER-WAGNER HOUSING BILL AND IMPROVED SOCIAL SECURITY LEGISLATION.

COPIES OF THE LETTER WERE SENT TO SPEAKER MARTIN (R-MASS) OF THE HOUSE; HOUSE MINORITY LEADER RAYBURN (D-TEX); SENATE MAJORITY LEADER WHITE (R-ME); SENATE MINORITY LEADER BARKLEY (D-KY) AND SENATOR TAFT (R-OHIO), CHAIRMAN OF THE SENATE REPUBLICAN POLICY COMMITTEE.

(END ADVANCE FOR PMS SATURDAY DEC. 27)

RZ333AES

WASHINGTON, DEC 27-(AP)-SENATOR O'MAHONEY (D-WYO) PREDICTED TODAY THAT PRESIDENT TRUMAN WOULD NOT APPROVE ANY VOLUNTARY INDUSTRY AGREEMENTS, AS PROVIDED FOR IN THE G.O.P. ANTI-INFLATION BILL, WHICH WOULD "RAISE PRICES AND PROMOTE MONOPOLY."

THE BILL IS NOW ON THE PRESIDENT'S DESK AND THERE ARE INDICATIONS THAT HE WILL SIGN IT EARLY NEXT WEEK AND AT THE SAME TIME ISSUE A STATEMENT SAYIN

DEC 1947

WHAT HE THINKS OF IT. THE BILL WOULD PERMIT THE PRESIDENT TO APPROVE VOLUNTARY AGREEMENTS ENTERED INTO BY PRIVATE INDUSTRY FOR DISTRIBUTION OF SCARCE COMMODITIES, AND EXTENDED EXPORT AND TRANSPORTATION CONTROLS. IT PROVIDES THAT THE VOLUNTARY AGREEMENTS WOULD NOT BE SUBJECT TO PROSECUTION UNDER THE ANTI-TRUST LAWS.

O'MAHONEY DECLARED THAT THE REPUBLICAN BILL TAKES THE "INITIATIVE" FOR ALLOCATING SCARCE COMMODITIES AWAY FROM THE GOVERNMENT AND VESTS IT IN "THE MANAGERS OF PRIVATE INDUSTRY." WRITING IN THE CAPITAL COMMMENT (CAP C'S), A DEMOCRATIC NATIONAL COMMITTEE PUBLICATION,

COMMENT (CAP C'S), A DEMOCRATIC NATIONAL COMMITTEE PUBLICATION, THE WYOMING SENATOR SAID:

"X X X THE ISSUE HAS BEEN PRESENTED TO THE PEOPLE OF AMERICA WHETHER THE ECONOMIC WELFARE OF ALL SHALL BE SAFEGUARDED BY THE GOVERNMENT OR WHETHER THE MANAGERS OF PRIVATE CORPORATE INDUSTRY, NOW ENJOYING FROM CURRENT HIGH PRICES THE GREATEST PROFITS EVER RECORDED, SHALL BE IN A POSITION TO PREPARE THEIR OWN PLANS FOR THE DISTRIBUTION OF THE COMMODITIES THE PEOPLE NEED AND PRESENT THEM TO THE PRESI-

30.24- 14507

DENT ON A TAKE-IT-OR-LEAVE-IT BASIS.

"THAT THE PRESIDENT WILL NOT APPROVE VOLUNTARY AGREEMENTS WHICH WILL RAISE PRICES AND PROMOTE MONOPOLY IS CERTAIN, BUT IT SHOULD BE CLEAR NOW WHAT THE ISSUE IS BETWEEN PRESIDENT TRUMAN AND THE LEGISLATIVE LEADERS OF THE REPUBLICAN PARTY WITH RESPECT TO DOMESTIC POLICY."

MONOPOLY, O'MAHONEY CONCLUDED, "TAKES FAR MORE OUT OF THE SUBSTANCE OF THE PEOPLE IN HIGH PRICES AND EXTORTIONATE PROFITS THAN WAS EVER TAKEN BY TAXATION."

PF129PES NM

(150) WASHINGTON, DEC 27-(AP)-STATE DEPARTMENT OFFICIALS SAID TONIGHT THAT THE QUESTION WHETHER TO ASK CONGRESS FOR MORE MONEY TO COMBAT COMMUNIST ENCROACHMENT IN GREECE IS UNDER ACTIVE CONSIDERATION IN THE DEPARTMENT.

AT PRESENT THE PROGRAM IS A $300,000,000 (MILLIONS) UNDERTAKING, INTENDED TO BE COMPLETED NEXT JUNE, FINANCED OUT OF THE $400,000,000 (MILLIONS) APPROPRIATED LAST SUMMER TO HEAD OFF THE COMMUNISTS IN GREECE AND TURKEY.

ORIGINALLY THE GREEK PART OF THE PROGRAM WAS INTENDED TO BE PRINCIPALLY ECONOMIC, BUT INTENSIFIED COMMUNIST GUERRILLA ACTIVITY IN THE NORTH HAS INCREASED EMPHASIS ON FINANCIAL AID FOR THE GREEK MILITARY.

OFFICIALS SAID TONIGHT THAT THE DECISION WHETHER TO ASK FOR MORE MONEY AND CARRY THE PROGRAM PAST JUNE PROBABLY WILL HINGE MAINLY ON DEVELOPMENT OF THE SITUATION CREATED BY PROCLAMATION OF A COMMUNIST STATE BY GUERRILLA LEADERS.

DEC 1947

THESE OFFICIALS SAID THAT SO FAR AS THEY KNEW NO CONSIDERATION HAD BEEN GIVEN TO ANYTHING MORE DRASTIC THAN INCREASED MATERIAL AID TO THE GREEK ARMED FORCES.

RZ1230AES

WASHINGTON, DEC 27-(AP)-THE STATE DEPARTMENT'S DIVISION OF INTERNATIONAL BROADCASTING--WHICH PUTS ON THE "VOICE OF AMERICA" SHORTWAVE PROGRAMS--HAD A NEW ACTING CHIEF TODAY FOLLOWING THE RESIGNATION OF KENNETH FRY.

STATE DEPARTMENT OFFICIALS SAID LAST NIGHT CHARLES W.THAYER HAD BEEN NAMED ACTING CHIEF BY SECRETARY MARSHALL.

THAYER IS A CAREER FOREIGN SERVICE OFFICIAL AND A WEST POINT GRADUATE. FRY FORMERLY WAS ASSOCIATED WITH COMMERCIAL BROADCASTING, AND IS EXPECTED TO RETURN TO THAT FIELD.

RZ341AESNM

(ADVANCE) (WX) LAKE SUCCESS, N.Y., DEC. 27-(AP)-SOME 3,500,000 (MILLION) OF EUROPE'S HUNGRIEST CHILDREN ARE NOW GETTING SOME FOOD THROUGH THE UNITED NATIONS INTERNATIONAL CHILDREN'S EMERGENCY FUND, THE AGENCY REPORTED TODAY.

CHILDREN ARE NOW BEING FED IN AUSTRIA, BULGARIA, CZECHOSLOVAKIA, FINLAND, GREECE, HUNGARY, ITALY, POLAND AND RUMANIA, SAID MAURICE PATE, EXECUTIVE DIRECTOR OF THE FUND.

FOOD ALSO HAS BEEN SHIPPED TO ALBANIA AND YUGOSLAVIA, HE SAID IN A STATEMENT, FOR CHILD-FEEDING IN 1948.

PLANS ALSO ARE BEING MADE TO GET AID TO SOME 290,000 FRENCH CHILDREN "FOR WHOM AN URGENT APPEAL HAS BEEN MADE."

AID ALSO WILL BE SENT TO CHILDREN IN CHINA AND OTHER FAR EASTERN AREAS, PATE SAID.

OPERATIONS ARE BEING FINANCED BY CONTRIBUTIONS, PRINCIPALLY FROM GOVERNMENTS, OF APPROXIMATELY $39,000,000 (MILLION).

THE UNITED NATIONS APPEAL FOR CHILDREN WILL SPONSOR A WORLD-WIDE FUND RAISING CAMPAIGN IN 1948. PATE URGED PUBLIC SUPPORT FOR IT. FUNDS RAISED THROUGH THE APPEAL WILL GO PRINCIPALLY TO THE CHILD FEEDING PROJECT, HE SAID.

(END ADVANCE FOR AMS OF SUNDAY, DEC. 28)

VX557PES NM

LAWRENCE, KAS., DEC. 27-(AP)-WORLD ORDER, PEACE AND SECURITY CAN BE ADVANCED BEST BY A VAST EXPANSION OF MISSIONARY ACTIVITY, REP.WALTER H.JUDD OF MINNESOTA SAID TONIGHT IN THE KEYNOTE ADDRESS OF THE FIRST POST-WAR NORTH AMERICAN STUDENT CONFERENCE ON CHRISTIAN FRONTIERS AT THE UNIVERSITY OF KANSAS.

"NONE OF OUR PLANS AND HOPES CAN SUCCEED," JUDD SAID, "UNLESS THOSE FORCES WHICH BUILD UNDERSTANDING AND GOOD WILL BETWEEN RACES, NATIONS, CLASSES, CLUTURES AND RELIGIONS ARE WORKING EVERYWHERE.

"PRE-EMINENT AMONG ALL SUCH FORCES IS THE MISSIONARY MOVEMENT," HE ADDED. "THESE THINGS WE WANT TO DO IN THE WORLD CANNOT POSSIBLY BE ACCOMPLISHED UNLESS THE MISSIONARY ENTERPRISE OPERATES MORE EFFICIENTLY AND EFFECTIVELY AT HOME AND ABROAD AND ON A LARGER SCALE THAN HAS BEEN TRUE IN RECENT YEARS."

DEC 1947

AN AUDIENCE OF 2,000 COLLEGE STUDENTS AND MISSIONARY LEADERS FROM THE 48 STATES AND CANADA, HEARD THE ADDRESS THAT OPENED THE SIX-DAY CONFERENCE.

JUDD, FORMERLY A MEDICAL MESSIONARY TO CHINA, VISITED BOTH THE ORIENT AND EUROPE LAST SUMMER AND FALL.

"WHEN THE UNITED STATES, FOR REASONS OF ITS OWN SECURITY, IS BEING FORGED TO EXPORT EVERYTHING FROM RELIEF TO RIFLES," JUDD SAID, "IT IS INCREASINGLY CLEAR THAT THE RAPIDLY SPREADING IDEALS OF COMMUNISM CAN BE OVERCOME ONLY BY BETTER IDEAS."

JUDD DECLARED:

"IT IS NOT THE JOB OF RELIGION TO RUN BUSINESS AND POLITICS, BUT TO PRODUCE THE INDIVIDUALS, MOTIVATED BY CHRISTIAN PRINCIPLES, WHO WILL FURNISH THE RIGHT LEADERSHIP IN BUSINESS AND GOVERNMENT."

DP934PCS NM

End Dec 27 1947

Russ Candidates Fail On Qualifications

Moscow, Dec. 27 (AP)—*Pravda*, Communist party newspaper, said today 84 candidiates failed to attain office in recent municipal elections because they did not receive the necessary majority. 54/37A

An official communiqué said four of the elections had been declared null and void because of violations of the electoral law and fourteen others had not been held.

Pravda said that despite these irregularities a total of 766,563 candidates of the Communist and non-party bloc were elected.

Stalin Wins Vote

Among the successful candidates was Prime Minister Stalin whose name appeared on tickets in Moscow and numerous other Russian cities.

Foreign Minister V. M. Molotov and other Russian leaders also were elected to municipal posts.

Officials claimed that more than 99 per cent of the voters turned out in this first election of local government officials since 1939.

Pravda, commenting on the defeated candidates, declared that "in 84 instances electors using their rights 'sent to the crows' no good candidates."

[Since there was no opposition ticket to the Communist and non-party bloc, a voter could indicate opposition only by scratching a candidate's name off the ballot].

NIGHT LEAD ELECTIONS (180)

MOSCOW, DEC.27-(AP)-EIGHTY-FOUR CANDIDATES IN RECENT RUSSIAN MUNICIPAL ELECTIONS FAILED TO ATTAIN OFFICE BECAUSE THEY DID NOT RECEIVE THE NECESSARY MAJORITY, THE COMMUNIST PARTY NEWSPAPER PRAVDA SAID TODAY.

(SINCE THERE WAS NO OPPOSITION TICKET TO THE COMMUNIST AND NON-PARTY BLOC, A VOTER COULD INDICATE OPPOSITION ONLY BY SCRATCHING A CANDIDATE'S NAME OFF THE BALLOT.)

IN ADDITION, FOUR ELECTIONS WERE DECLARED VOID BECAUSE OF VIOLATIONS OF THE ELECTORAL LAW AND 14 OTHERS WERE NOT HELD, AN OFFICIAL COMMUNIQUE SAID. NEW ELECTIONS WILL BE HELD IN THESE CASES, PRAVDA SAID.

DEC 1947

CONTRASTING WITH THE 84 UNSUCCESSFUL CANDIDATES, A TOTAL OF 766,-563 CANDIDATES OF THE COMMUNIST AND NON-PARTY BLOC WERE ELECTED. OF THE SUCCESSFUL CANDIDATES 358,527 WERE MEMBERS OF THE COMMUNIST PARTY.

COMMENTING ON THE DEFEATED CANDIDATES PRAVDA SAID THAT "IN 84 INSTANCES ELECTORS USING THEIR RIGHTS 'SENT TO THE CROWS' NO-GOOD CANDIDATES."

PRIME MINISTER STALIN WAS AMONG THE SUCCESSFUL CANDIDATES. HE HAS BEEN ELECTED TO LOCAL SOVIETS IN MOSCOW, LEINGRAD, KIEV, KISHINEV, PETROZAVODSK, ROSTOV, NOVOSIBIRSK, STALINGRAD, CHELYABINSK AND SVERDLOVSK, PRAVDA SAID. FOREIGN MINISTER V.M. MOLOTOV AND OTHER RUSSIAN LEADERS ALSO WERE ELECTED TO MUNICIPAL POSTS.

FM126PES

End of Dec. 27, 1947

30.24- 14509

GREEKS LAUNCH WIDE OFFENSIVE

Fresh Troops Join Fight as New Law Banning Reds Goes into Effect.

ATHENS, Dec. 28. — (AP) Greek army forces launched an offensive today aimed at smashing guerrilla attempts to set up a separate Communist Greek state in northern Greece, as far-reaching legislation went into effect outlawing the Communist party and its sympathizers throughout the nation.

The government forces, bolstered by fresh troops rushed from western Macedonia and new heavy arms, launched the offensive in the rain over difficult, snow-covered terrain. Military informants refused to disclose details of the operation or the number of troops involved, but said the offensive was "proceeding satisfactorily and according to plan."

Stiff Penalties Imposed

The new anti-Communist law outlawed not only the party, but the leftwing EAM coalition and all those sympathizing with those organizations. Penalties range from 20 years in prison to life terms and, in aggravated cases, death.

The law, applying to civilian and military sections of Greek life, is aimed at those who seek to overthrow the government by violence, who favor detachment at any part of Greece or who proselyte or are in sympathy with such aims.

Military courts will conduct the trials of offenders and have authority to suspend judgment against minor offenders.

Commenting on the new offensive in the north, military sources here estimated that 23 guerrilla battalions were thrown into the "Battle of Epirus." Each battalion contains from 200 to 300 men, which means that the total guerrilla force has between 4,600 and 6,900 men. In addition, many smaller guerrilla bands roam through the area in the vicinity of the Albanian border.

The Communist-led guerrillas were holding defense lines on two sides of a triangle hinged on and lying southwest of besieged Konitsa—possible capital for the Communist state proclaimed by the guerrilla chieftain, Gen. Markos Vifiades.

These lines of the triangle, which has a total area of 50 square miles, run from Konitsa southwest to Kalpaki, then directly north to the strategic Bourozani bridge 11 miles west of Konitsa.

Road Blocks Maintained

The bitterest fighting occurred along the road from Kalpaki to the Bourozani bridge, which is in guerrilla hands. The guerrillas were maintaining a block on each side of the road 5 miles north of Kalpaki.

One guerrilla leader, Captain Ypsilanti, was reported sitting astride and east and west of the road at Ano Ravenia and Grambala with five battalions.

The quietest sector was along the eastern side of the triangle, which runs for the most part through the snow-covered Gamila mountains.

The garrison at Konitsa remained isolated, but all defense points in and around the town were reported held firmly by the Greek army troops.

Other Battalions On Move

Fifteen guerrilla battalions from the Mount Grammos area were reported engaged in operations around the triangle, and another eight battalions were reported moving toward Konitsa from the Smolikas and Gamila mountain commands.

These were under attack from various Greek army units in the same region.

Remnants of the Greek army garrison which tried in vain to hold the Bourozani bridge against superior guerrilla forces in the first hours of the attack on Christmas day were reported to have rejoined other army units.

There was fighting also outside the triangle. One report here said "dozens" of special guerrilla saboteurs were killed when they tried to blow up a tunnel between Metsovon and Kalabaka on the main highway between Epirus and Thessaly.

Greek Army reinforcements moved behind snowplows which the saboteurs tried to damage. Another guerrilla attack on Philiates, 40 miles southwest of Konitsa and only 3 miles from the Albanian border, was reported repulsed.

A dispatch from Salonika said the United Nations special commission on the Balkans will send an observer team to the battle area of northern Epirus.

Liable To Dismissal

Civil service employés and others in the military and security branches who are not guilty of specific provisions of the new law, but who sympathize or support Communist principles or criticize national institutions or symbols, are liable to dismissal and punishment.

Authors, printers or distributors of pamphlets or printed matter of any kind supporting communism are liable to prosecution. Left-wing public gatherings are banned.

London, Dec. 28 (AP)—The Moscow radio, quoting a Belgrade dispatch, said tonight the radio station of the Greek guerrillas henceforth would be known as the "Free Greece" station and would serve the program and aims" of the Greek Communist Government proclaimed Wednesday by Gen. Markos Vifiades.

BRITONS' BRACES SLACKEN

Prof. Bryant and the London Times Note Deterioration

LONDON, Dec. 28 (AP)—Now it's the crisis of bursting braces.

Arthur W. M. Bryant, historian, bought four pairs of braces (suspenders) made under a Government edict limiting the elastic to three inches at the back.

"After each occasion," Professor Bryant wrote The Times of London, "the braces have broken irretrievably within three months."

The Times editorialized today:

"The four freedoms are a hollow mockery if our braces are going to be bursting all the time," The Times commented editorially. "No nation can be expected to hold up its head if it is also required to hold up its trousers."

SOVIET ARMY MARSHAL GETS ORDER OF LENIN

LONDON, Dec. 28 — (AP) Marshal Ivan Stepanovich Konev, commander in chief of Russian army ground forces, has been awarded the Order of Lenin, the Soviet Union's highest civil decoration, the Moscow radio said last night.

The announcement said the order was awarded Konev "on the occasion of his fiftieth birthday and to mark his outstanding services to the state and the armed forces of the USSR."

ITALY'S LEFT FORMS FRONT

Communist-Dominated Group Unites For Elections

Rome, Dec. 28 (AP)—A Communist-dominated assembly of Leftwing leaders voted unanimously today to create a "democratic popular front of liberty, peace and work" to oppose Right and Center parties in the April parliamentary election.

The Leftist politicians, intellectuals, labor and agrarian heads decided to carry into the national arena the "People's Bloc" which has helped Communists, their Socialist allies and minor Left groups win power in 3,300 of Italy's 7,500 municipalities.

Promoters of the front still must reckon with the parties' national congresses next month. But, on the basis of today's representation in the chill rotunda of Rome's Planetarium, the front would include the Communists, Italy's second biggest party; the majority faction of the divided Socialists; two small parties the Communist-Socialist alliance recently swallowed, and perhaps other "splinter groups."

Communist chief Palmiro Togliatti promised loyal adherence to the front—necessary, he said, "because the forces of conservatism are the first to create their own bloc."

Unaccountably absent was Pietro Nenni, titular leader of the pro-Communist Socialists, who had been booked to speak. But Lelio Basso, secretary general of that party and generally regarded as the power behind Nenni, was as emphatic as Togliatti in support of the front.

Some dissidents among the old-line Republicans and the moderate (anti-Communist) Socialists, which recently went into Premier Alcide de Gasperi's Christian Democratic Government, were on hand and accused party leaders of "treason to the masses."

Exiria Arrives in Naples With Friendship Food

NAPLES, Dec. 28 (AP).—The American steamship Exiria arrived today with 1,251 tons of "Friendship Train" food from the United States.

Although the ship's cargo is already being unloaded onto waiting trains, the formal welcoming ceremony will not be held until tomorrow. Foreign Minister Carlo Sforza and American Ambassador James C. Dunn will participate.

The gift food will go to orphangaes, old people's homes, institutions for the blind and mentally defective and the war wounded. Shipments will leave by train Wednesday for Rome, Florence, Bologna, Milan, Udine and Gorizia.

A second shipload will be distributed from Genoa to northwestern Italy and a third to southern Italy from a ship arriving at Naples Jan. 7.

Eden Flying to Iran

ROME, Dec. 28 (AP) — Anthony Eden, former British Foreign Secretary, arrived by plane today en route to Iran. He is making a private trip to Abadan to inspect oil properties.

Poland Sentences 8 as Spies

WARSAW, Dec. 28 (AP).—A military tribunal at Rzeszow, southeastern Poland, sentenced one defendant to death and seven others to from four to fifteen years in prison today for spying on behalf of foreign powers and for other anti-government activities.

Russia Assails Balkan Group

Moscow, Dec. 28 (AP) — *Izvestia* charged today that the United States intends to use the United Nations Special Commission on the Balkans as a weapon in an American campaign to dominate Greece and turn the country into a "military-political" base.

The Government newspaper inferred that the United States would send troops into Greece and justify the action by saying it was necessary in order to carry out decisions of the commission.

Izvestia described the commission as "illegitimate and stillborn" and said it had no Balkan representatives "except Greek monarchists and Fascists." It claimed the United States was staffing the commission with American officers and members of the United States military mission in Greece.

Refused To Accept Places

The Soviet Union opposed the creation of the Balkan commission at the last session of the United Nations General Assembly. The United States requested the commission in order to keep a watch on the strife-torn northern Greek border. Russia and Poland refused to accept places on the commission assigned to them. Other members are the United States, Britain, France, China, Australia, Brazil, Mexico, Pakistan and the Netherlands.

Soviet Paper Reports Sharp Farm-Price Drop

Moscow, Dec. 28 (AP)—The Communist party newspaper *Pravda* said today that prices of farm products dropped sharply Thursday in the collective farm markets of White Russia.

Beef prices dropped from 20 to 18 rubles per kilogram (2.2 pounds) in one market and pork from 45 to 40 rubles, *Pravda* said. In another market pork dropped from 60 to 45 rubles and milk from 4 to 3½ rubles a liter (1.05 quarts).

TOJO IS CHEERED BY PRESS REPORTS

TOKYO, (Monday) Dec. 29—(AP) Hideki Tojo, who led Japan into the war and failed at suicide after her surrender, resumed his personal defense in the International War Crimes court today—pleased that Japanese newspapers had headlined his "war of self-defense" plea.

The ex-premier's attorney, George Francis Blewett of Philadelphia, told newsmen as he resumed reading Tojo's 65,000-word statement that the defendant had been permitted to read newspapers during the court's holiday recess.

After looking at the prominent display accorded his picture and his charge the allies had provoked the war, Tojo remarked "it is well; I am pleased," Blewett related. The attorney said Tojo evidently had wondered whether the press would be permitted to publish his statement.

A prosecution spokesman who asked that his name be withheld said the prosecutors also had studied the Japanese papers and "were not very pleased," at what some interpreted as a "sly propaganda twist" given in headlines on Tojo's story.

Former Japanese Official Runs Illegal Restaurant

By The Associated Press.

TOKYO, Dec. 28—The police announced the arrest today of Takeo Tanaka, former Minister of Transportation, and twenty-seven other persons in a black market restaurant which they said Mr. Tanaka operated in his mansion in the fashionable Azabu section of Tokyo.

Ten of those arrested were identified by police as government officials who were dining at the restaurant.

Mr. Tanaka, 59, was in the Shidehara Cabinet in 1945. He was purged from holding public office in January, 1946.

The police said that the raid resulted from their noticing the number of automobiles stopping at Mr. Tanaka's home. They said the two dozen raiding officers found the kitchen stocked with large quantities of sugar, cigarettes, butter cakes and whiskey, which came from occupation sources, in addition to stocks of Japanese delicacies.

BIDS JAPAN HEED TRUMAN

U. S. Member of Allied Council Says We Seek Rich World

TOKYO, Dec. 28 (AP)—The Japanese would do well to ponder the pronouncement of President Truman that the United States wishes to live in peace and prosperity, William J. Sebald, United States chairman of the Allied Council for Japan, declared tonight.

In a New Year's message to the nation, he said that since its inception the occupation had been guided by the spirit of the President's declaration that America desired "a peaceful world, a prosperous world, a world of good neighbors, living on terms of equality and mutual respect."

Those words, he added, "might well become the objectives of a peaceful and democratic Japan."

Sentenced for Asking Gifts

YOKOHAMA, Japan, Dec. 28 (AP)—The Army Department has approved a general court martial sentence of three years at hard labor for Maj. Frank A. Kotches of Stamford, Conn., convicted of soliciting gifts from Japanese for influencing Army contracts. Eighth Army headquarters here announced last night. Major Kotches formerly was procurement officer of the Hiroshima Military Government Team.

Newsprint Quotas Restored

Shanghai, Dec. 28 (AP)—The Chinese Import-Export Board notified the American-owned Shanghai *Evening Post* and the British-owned *North China Daily News* today that their newsprint quotas had been restored. The board thus overruled the Shanghai Newspaper Guild, which had cut the two English-language papers' quotas 50 and 90 per cent, respectively.

Arms Boycott Ordered

SINGAPORE, Dec. 28 (AP).—"The Sunday Tribune" said today that the Singapore Federation of Trade Unions has ordered a boycott of ships carrying arms from Canada to China when they pass through Singapore. "The Tribune" said the boycott first would affect the vessel Gulfside, which is expected here soon en route to China with war materials.

DEC 29 1947

Victor Emmanuel, Ex-King Of Italy, Dies in Exile at 78

Former Monarch Who Played Yes-Man to Mussolini Succumbs in Egypt.

ALEXANDRIA, Egypt, Dec. 28—(AP) Victor Emmanuel, III, the 5 foot 3 king who played yes-man to Benito Mussolini for 20 years and saw Italy crumble in the ruins of war, died in exile today of pneumonia.

The 78-year-old former monarch had lived in Egypt since 1946, when he abdicated the throne he had held since 1900. His death came at 2:20 p.m. (7:20 a.m., Eastern Standard Time) in his Alexandria villa. Previously he had been in a hospital where he had been treated several days.

His wife, the former Queen Elena, was at the bedside. Their son Umberto, who succeeded his father as king for one month, until the Italian people voted down the monarchy, was summoned from Lisbon to help plan the funeral.

Funeral Plans Incomplete

No funeral arrangements had been made, members of the former king's entourage said. In Cairo, Foreign Minister Ahmed Kashaba Pasha said the Egyptian court would mourn Vittorio Emanuele seven days and an "official funeral" would be held. Premier Mahmoud Fahmy Nokrashy Pasha said a "military funeral" was being arranged.

The former king, who had adopted the name of the Count of Pollenzo, was stricken with double pneumonia Wednesday while preparing to celebrate Christmas with members of his family. He was taken to the Italian hospital and attended there by Dr. Maggiorino Peta, pathologist and heart specialist.

His final illness was reported to have developed after he became chilled recently on one of his habitual long winter strolls.

Tonight the former queen, tall, gray-haired and 74, stood vigil—alone, at her own insistence—beside her husband's body in a first-floor room of their small villa in quiet, suburban Smouha.

(A dispatch from Lisbon said Umberto, who had planned to leave for Alexandria tonight, had had to postpone his departure till tomorrow because of bad flying weather.)

A reliable source in Alexandria said that though the burial place had not been decided, Vittorio Emanuele probably would be buried in a chapel rather than in a public cemetery.

There was no indication the body would be returned to Italy to lie in the Pantheon niche once assigned it, for the constituent assembly there last March forebade both him and Umberto to return to Italian soil and ordered their property confiscated.

Coin-collecting Vittorio Emanuele was a beloved leader to Italians in the first world war, when he journeyed to the front lines facing the Germans. The second world war brought the Italians to complete repudiation of the House of Savoy after Mussolini, glowing with his Ethiopian conquests, overreached himself.

Overshadowed By Mussolini

The destruction of the house began in 1922 when Mussolini marched on Rome and the king summoned him to form a cabinet. During their association Mussolini completely overshadowed the king. With apparent meekness Vittorio Emanuele signed a long series of fascist decrees which Mussolini put before him. Among them was a decree giving the fascist grand council the right to pass on the succession to the throne.

The king summoned Mussolini to power under the menace of the theatrical march of the blackshirts on Rome. At the time Marshal Pietro Badoglio was reported to have asked the king to give him a few regiments to smash the uprising.

DEC 29 1947

"You probably could, general, but I have other plans," the king was quoted as responding. "And besides, I want no bloodshed."

Vittorio Emanuele finally got a measure of revenge for all the years he played second fiddle to Mussolini. In July, 1943 when American and British military successes in the Mediterranean theater had revealed the military and governmental weaknesses, the sad, gray little ruler played a major part in unseating the dictator.

Asserted Himself Too Late

But Vittorio Emanuele had asserted himself too late. In collaboration with Badoglio he had given Italy over to the allies under an armistice, only to see the Germans turn the nation into a battleground.

After he finally found asylum with the allies he had fought, Vittorio Emanuele denounced Mussolini and Adolf Hitler. The Italians, however, were not impressed. They remembered the long years of the Mussolini dictatorship.

Whenever he showed himself, subjects called for his abdication. Forgotten now was the reputation he had earned early in his reign as a monarch interested in his people's welfare. Gone was the glory that had become attached to his name after the Italian victory in World War I.

Then the king moved desperately to save his family's position. When the allies captured Rome in 1944 Vittorio Emanuele surrendered his royal prerogatives to Umberto, as lieutenant general of the realm. That made the father a king in name only, although he retained his position as head of the House of Savoy.

Still public criticism continued. On May 9, 1946 Vittorio Emanuele played his last card. In an effort to save the monarchy, he signed a document of abdication in favor of Umberto and sailed here with Elena, a former Montenegran princess.

Besides Umberto, Vittorio Emanuele and Elena had four daughters.

Yolanda, born in 1901, married Count Calvi di Bergolo in 1923.

Mafalda, born in 1902, married Prince Philip of Hesse in 1925. After the downfall of Mussolini she was placed in Buchenwald prison camp and died there in 1944 from bomb wounds suffered during an aerial attack.

Giovanna, born in 1907, married King Boris III, of Bulgaria, in 1936. With her little son, King Simeon II, she came to Egypt in September, 1946, after the Bulgarians had voted out the monarchy.

Maria, born in 1914, married Prince Louis of Bourbon-Parma in 1939.

DEC 29 1947

$6,300,000 British Bonds Reported Held by Victor

By The Associated Press.

ROME, Dec. 28—While Italian soldiers fought British troops in World War II, Victor Emmanuel, then King of Italy, retained ownership of $6,300,000 worth of British bonds which formed a large part of his personal fortune, it was reported tonight by Prof. Tullio Cavagnaro, former administrator of the royal private estates.

The British bonds he owned were those of World War I, when Britain and Italy were allies. Professer Cavagnaro said that during the recent war the bonds were kept in a safe of the Bank of England.

It was doubtful whether the House of Savoy would retain control of these bonds and the rest of Victor Emmanuel's personal fortune, for the Constituent Assembly recently decided to confiscate all properties belonging "to the former kings of Italy, their wives and male descendants." It was estimated that his private real estate holdings in Italy totaled approximately $7,601,000. He also held Italian state bonds and Italian Treasury obligations which, since the depreciation of the lire, now are worth about $396,549, Professor Cavagnora said.

11,840 JEWS ABOARD SHIPS

Turks Search Two Vessels Bound For Palestine

DEC 30 1947

Istanbul, Turkey, Dec. 28 (AP)—Two large cargo ships, carrying 11,840 visaless European Jews, sailed through the Bosporus today for Palestine after Turkish officials reportedly had searched the vessels from bow to stern for weapons.

The ships had sailed yesterday from Burgas, Bulgaria. Nearly 5,000 of the passengers are husky young men.

Turkish port authorities threw a heavy patrol around the ships, which were stopped at the head of the Bosporus and held up nearly four hours. Normally, ships in transit move out instantly after perfunctory declarations to port authorities.

Fly Panamanian Flag

Reliable sources said the passengers are 4,717 men, 4,838 women and 2,285 children. They are equally divided between the Pan Crescent and the Pan York, each flying the Panamanian flag.

The ships had sailed through here two months ago for Constanta, Romania, where they stayed until Friday before sailing empty for Burgas to pick up the Jews.

Persons who went aboard said the ships had been equipped with layers of closely fitted bunks.

The Turks' reportedly careful search of the vessels stemmed, in the belief of many, from recurrent reports that heavy guns had been put aboard while the ships were in Constanta and would be mounted, presumably after leaving territorial waters, for action against British warships expected to lie in wait once the vessels clear the Dardanelles.

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700 JEWS SEIZED ON REFUGEE SHIP

Vessel's Arrival at Haifa Climaxes Day of Violence, with 21 Slain.

JERUSALEM, Dec. 28—(AP) An immigrant ship carrying between 700 and 800 Jewish refugees without visas to enter Palestine arrived in the port of Haifa tonight, ending a day in which the Holy Land's war of hate and bloody reprisals took 21 lives — 13 Arabs, seven Jews and a British soldier.

The death toll since the Nov. 29 decision by the United Nations to partition Palestine mounted to 405 in Palestine and 526 for the entire Middle East.

Group on Way to Cyprus

The Jews who arrived tonight aboard the refugee ship will be taken to detention camps on Cyprus, Hagana sources said the ship was named "29th of November" in honor of the day on which the United Nations voted for partition.

At the height of the day's violence, the Arab local committee in Haifa appealed to Arabs there to cease shooting, but not for pacific reasons. Arabs should conserve their ammunition, the committee said, for use in the outright war, which might begin at any moment, to prevent partition of the Holy Land.

There was no indication that Arabs heeded the appeal for bloodshed and violence raged unchecked.

Three Arabs were killed by Jews who threw grenades into a house on the Jerusalem-Jaffa road. Hagana, the Jewish defense army, said the house had been headquarters for Arab raids on Jewish convoys. The body of an Egyptian Arab was found in a sack in Jerusalem and police said he had been shot through the head.

Hagana sources said the Jewish defense army planned one reprisal attack each day against the Arabs. Today grenade and tommygun squads from Hagana attacked Arabs in the Jerusalem suburb of Romema, and eight Arabs and two Jews died in the resultant battle.

The Hagana squads lashed out as thousands of Jews attended funeral services for Hans Beith, Jewish agency youth leader, and seven other Jews killed by Arab snipers.

Sounds of gunfire and explosions punctuated the graveside services for Beith and the other Jewish dead on the Mount of Olives. While thousands of Jews lined the streets for the funeral procession only a handful was permitted to attend the graveside rites.

Split in Jewish Agency

Amidst the violence a split inside the Jewish Agency, the political representative of Palestine Jewry, was brought to a head with the resignation of Dr. Moshe Sneh, former Hagana chief.

Sneh said he resigned from the Agency executive because he opposed an agency order to 15,000 Jewish refugees to remain in Black Sea ports rather than sail for Palestine. He complained also that the agency was orienting itself with a western bloc and neglecting the eastern countries. He said he would lead a new "popular opposition" group.

The Holy Land disorders reached into ancient Acre Prison in northern Palestine, where a British sergeant was kicked to death by Arab prisoners infuriated over their failure to effect a mass prison break. One Arab was wounded by guards' gunfire and all but one was recaptured.

In Jerusalem one Jew was stabbed to death near Damascus Gate and inside the old city a Jewish woman was slain by gunfire. Southwest of Jerusalem a Jewish doctor was shot and killed a short distance from the Beit Safafa Hospital.

Two Jews and one Arab were wounded fatally in the Tel Aviv-Jaffa "no man's land."

Arab robbers held up a train 33 miles south of Haifa and made off with mail, 200 sacks of wheat and more than 200 sacks of cement.

Military movements in the north and political maneuvering to the east were reported in the Arab nations outside Palestine.

Dutch Preparing Indonesia Reply

Batavia, Java, Dec. 28 (AP)—A Dutch informant said today the Netherlands was ready to agree to "between 30 and 90 per cent" of the latest proposals of the United Nations Good Offices Committee to achieve an effective cease-fire order in Indonesia by Wednesday.

The Netherlands, however, will not accept certain "political" views on the Indonesian question contained in the United Nations group's proposal, the source added. He explained that the Dutch reply was expected to be handed to the committee sometime today.

Plans Not Disclosed

Details of the United Nations group's latest plans have not been disclosed.

The Indonesian Republic's cabinet met in Jogjakarta last night to discuss the plan prior to the return to Batavia of Premier Amir Sjarifuddin and other members of the Republic's delegation for United Nations sponsored negotiations with the Dutch.

The Dutch informant said the Netherlands' delegation aboard the liner Willem Ruys approved last night an informal reply embodying Netherlands acceptance of most of the "cease-fire" proposals of the United Nations committee along with comments on points on which the Dutch were not ready to agree.

Gandhi Gives Advice

The Republican newspaper *Merdeka* said in a New Delhi dispatch that Mohandas Gandhi had said "success was at the door" of the Indonesian Republic, although prospects "did not look bright at present." Gandhi was quoted as advising the Indonesians:

"India fought 30 years without sympathy from the outside. Take every opportunity to establish closer relations with other Asian peoples."

Burma To Become Free Nation Jan. 4

Rangoon, Burma, Dec. 28 (AP)—The constitution which will govern more than 14,500,000 citizens of free Burma will go into effect at 5 A.M., Burma time, on January 4—the Burmese "Independence Day." This was announced officially today.

This land of pagodas, jewels and rice terraces will receive full independence from the British, who are withdrawing all their military forces save a few officers who will remain to complete turning military tasks over to the regular Burmese Army.

Today's announcement said that the Burmese Constituent Assembly will meet immediately after the Burmese flag replaces the Union Jack over Government House at daybreak. The assembly will be dissolved at 5.30 A.M., then meet five hours later as the professional parliament of a free Burma.

At its first session the parliament will debate the terms of a treaty under which the British gain the right to maintain military training missions in Burma. The treaty provides also for the transfer of 37 small naval vessels to Burma and the canceling of $60,000,000 in Burmese debts to Britain. The Burmese agreed to negotiate a trade pact with the British.

Saw Shwe Thaik, provisional president of the Burmese republic, will read the formal proclamation to the assembly making the constitution operative.

Egypt to Get Yugoslav Grain

CAIRO, Egypt, Dec. 28 (AP)—Premier Mahmoud Fahmy Nokrashi Pasha told a news conference today that Yugoslavia would sell 8,000 tons of maize to Egypt by mid-January. It also was announced that Egypt had approved allocation of $8,260,000 for the purchase of British Army surplus equipment.

To Strike at Beirut Shell Oil

BEIRUT, Lebanon, Dec. 28 (AP).—Shell Oil Company workers said today they were declaring a strike "because Shell has refused to discuss our demands." The nature of the demands was not disclosed.

Iranian Premier Forms New Cabinet in Tehran

TEHRAN, Dec. 28 (AP).—Premier Ibrahim Hakimi Al-Molk presented a new Iranian cabinet to Shah Mohammed Riza Pahlevi today.

Dr. Mohammed Saljadi and Mostafa Adl, both members of former Premier Ahmad Qavam's cabinet retained their posts as Minister of National Economy and Minister Without Portfolio.

Other appointments were: Field Marshal Morteza Yezdanpanah, War; General Farajullah Aghevli, Interior; Mohammed Soroori, Justice; Ali Motamedi, Roads and Communications; Saed Malek, Public Health; Ali Akbar Siasi, Education; Abolghassem Nadjm, Finance; Mohammed Ali Varasteh, Posts and Telegraphs.

The Ministers of Agriculture and Foreign Affairs will be named later.

Truman Hits GOP Bill On Prices as 'Feeble' But Agrees to Sign It

VOLUNTARY PLAN IS 'INADEQUATE,' PRESIDENT SAYS

DEC 29 1947

Must Have Reserve Powers to Battle Inflation, He Asserts.

SCORES CONGRESS

Hopes Incoming Body Will Enact a 'Workable Program.'

WASHINGTON, Dec. 28 — (AP) President Truman said in bitter words today that Congress has given him a "feeble" and "pitifully inadequate" weapon in the Republican anti-inflation bill, but that he is signing it anyhow.

"I am signing," he said in a statement, "with a sense of deep disappointment that the Congress has seen fit to take such feeble steps toward the control of inflation.

"I trust that when the Congress returns it will promptly enact an effective, workable program."

To Sign Bill Today

Presidential Secretary Charles G. Ross told reporters Mr. Truman will sign the bill tomorrow.

Mr. Truman particularly disliked the "voluntary agreements" system which the bill provides for industries to get together and share scarce materials and commodities on a non-compulsory basis.

"It is far too late in the fight against inflation to place our main reliance upon voluntary action," he said and added:

"The voluntary methods x x x in the absence of reserve powers to back them up, can therefore be expected to accomplish little."

In summation he declared:

"At a time when nearly everyone in this nation is feeling the pressure of exorbitant prices, the Congress has enacted a bill that is pitifully inadequate as a weapon against the high cost of living."

Mr. Truman promised to exercise "the meager authority" given him in the bill, but said:

"The public must not be misled into believing that the bill will do the job."

Sought Broader Powers

He recalled that when the special session of Congress opened, he asked far broader powers to meet inflation.

But in discussion of the measures he asked originally, such as selective price and rationing authority on a standby basis, he did not mention today that he had asked for similar authority over wages which would affect any price ceilings that might be selected.

He did, however, recall that in the original proposal he had emphasized the need of "all ten" of his points.

There was no explanation as to whether he had omitted reference to wage ceilings this time through inadvertence, or otherwise.

Speedy GOP Reaction

Republican reaction to the president's criticism was quickly forthcoming. Rep. Wolcott (R-Mich), who fathered the legislation along with Senator Taft (R-Ohio), commented that if the cost of living is not brought down, "the fault will be that of the president and not of the congress."

(In Kansas City, Senator Taft said he wanted to read the president's full statement before replying. "I don't want to say anything tonight," he declared. I'll comment on it probably tomorrow.")

Before Mr. Truman's statement was released, Senator White of Maine, the Republican floor leader, had said that how the administration handles the G.O.P. anti-inflation bill will be a test of its willingness to cooperate on major domestic issues.

On the Democratic side, Rep. Spence (D-Ky), top minority member of the House Banking committee, said "the president has appraised the legislation well. I agree it is a pitiful, idle gesture by the Republicans toward controlling inflation.' '

Senator Sparkman (D-Ala) declared that the president "is completely right in describing this as 'pitifully inadequate.' "

Senator Dworshak (R-Idaho) accused the president of "deliberately trying to deceive the American people into believing that the fallacies of New Deal maladministration and deficit spending can be corrected by legislation."

Mr. Truman hammered hard at the complaint of insufficiency, and said he was signing only for lack of something better with which to fight the high cost of living.

Halleck Praises Bill

Rep. Halleck (R-Ind), G. O. P. house leader, anticipated such an attitude by the president. He said in a statement issued before the president released his criticism that the Republican-sponsored bill "will, if properly administered, do much to adjust unduly high prices."

Halleck added that the president "appears to have lost his faith in the American voluntary way of life."

Senator O'Mahoney (D-Wyo) called the G.O.P. bill "inadequate, confessedly so."

Senator Wherry (R-Neb) commented: "All the controls the president asked for treat c[illegible]

symptoms and not the causes of inflation." Wherry called for cuts in government spending, more production and less shipping abroad.

Senator Ball (R-Minn) said the president had launched "a typical attack" on Congress that "smells a bit of politics."

Mr. Truman had said that he would be shirking his job if he failed to protest the "obvious insufficiency" of the bill.

Campaign Material Seen

In language likely to figure in the 1948 political campaign, the president added:

"Inflation and the high cost of living confront the American people—all the American people—with a grave danger. Unchecked inflation can bring on a serious depression that can cause untold hardship."

The Republican-sponsored bill, rushed through in the closing hours of the special session of Congress, provides basically for voluntary agreements among industries to divide up scarce materials and commodities so as to curb rising prices.

It contains none of the standby authority Mr. Truman asked to have to impose price, wage and rationing controls as he deemed needed.

Mr. Truman's statement continued:

DEC 29 1947

"The legislative and executive branches of the government must work together if this grave peril (of inflation-caused depression) is to be conquered.

"The American people look to the Congress to pass legislation adequate to perfomr this all important task.

"I trust that when the Congress returns it will promptly enact an effective, workable program."

Ineffective, He says

Mr. Truman in his blast at the measure, said it "will not reduce the high cost of living and it will not keep prices from going even higher."

The measure extends export controls, allocation authority over transportation facilities and equipment and provides for expansion of the Agriculture department program for encouraging conservation practices, together with authority to limit the use of grain for distilled liquors for a period of about five weeks.

The President criticized most sharply the sections authorizing the system of voluntary agreements among businessmen for the allocation and inventory control of scarce commodities, and a section covering speculation on the commodity exchanges.

These voluntary agreements, if approved by the attorney general, would be accompanied by an exemption from liability under the anti-trust laws.

Mr. Truman said that if members of an industry refused to make an agreement, the government would be powerless and that it also would be powerless to improve any agreements that prove inadequate.

Hits Voluntary Plan

Complaining that Congress withheld authority to utilize, on a selective basis, rationing and price controls, Mr. Truman declared:

"It is far too late in the fight against inflation, however, to place our main reliance upon voluntary action."

The President also complained of a section six of the bill proposing that he submit to Congress what he called "extremely detailed and specific recommendations for mandatory conservation measures for scarce commodities."

"Presumably," he said, "the congress would then determine in each case whether the conservation measures proposed by the president should be adopted and what the details of the measure should be, and pass legislation authorizing them to be put into effect."

Mr. Truman said this section proposed to deverse the "historic process" under which congress enacts regulatory measures in general terms and leaves it to administrative agencies to determine when and how they should be applied.

The effect, he said, would limit the president's authority when the need for mandatory conservation measures "is so acute that they should be put into effect immediately."

Under the system laid down in the bill, he said, "it is hardly possible that effective measures can be taken in time."

Mr. Truman referred to his own ten-point program he presented to congress on November 17, calling for authority to regulate consumer and business credit, regulate distribution of scarce commodities affecting the cost of living or industrial production, extending and strengthening rent control and authority to utilize rationing and price control for essential living items and industrial products.

"The bill which the congress has enacted fails to include any of these necessary elements," he said.

Cites Soaring Prices

Mr. Truman took the occasion to point out what he said was the "alarming course of inflation" since his message to congress Nov. 17.

During that time, he said, the cost of a pound of butter in Washington had risen from 88 cents to a new high of $1.05 last week. In the last weeks he continued, men's street shoes in Pittsburgh went up from an average of $8.72 to $9.38 a pair.

In this same period, he continued, the price of hogs in Chicago "has risen from $24.75 a hundred pounds to $26.40." The price of steers in Omaha "reached a new all time high of $40.00 a hundred pounds," he said, and "the price of gasoline has risen in Los Angeles from 21.5 cents a gallon to 23.3 cents."

Truman's DE Statement

Washington, Dec. 28 (AP)—The text of President Truman's statement on signing the Republican anti-inflation bill follows:

I am signing Senate Joint Resolution 167 with a sense of deep disappointment that the Congress has seen fit to take such feeble steps toward the control of inflation.

At a time when nearly everyone in this nation is feeling the pressure of exorbitant prices the Congress has enacted a bill that is pitifully inadequate as a weapon against the high cost of living.

I sign the bill reluctantly but feel that I must do so because it contains some measures that are needed now.

On November 17, 1947, I recommended to the Congress a ten-point anti-inflation program. I emphasized that all ten points were essential to an effective program to win the battle against inflation.

Of Minor Importance

Senate Joint Resolution 167 contains appropriate legislation with respect to only three of the ten points that were recommended. And these three points are of minor importance compared with the others.

This bill fails to include the key measures which are essential to an effective anti-inflation program.

This bill will not reduce the high cost of living and it will not keep prices from going even higher.

The meager authority contained in the bill will be utilized to the fullest extent by the Government, but the public must not be misled into believing that this bill will do the job.

I would be shirking my responsibility if I did not protest against the obvious insufficiency of this legislation.

Three Points Cited

The three points out of the November 17 ten-point program which this bill covers are: Extension of export controls, extension of allocation authority over transportation facilities and equipment, and authorization for expansion of the Department of Agriculture program of encouraging conservation practices in this country and authorization of measures designed to increase the production of food in certain foreign countries. The bill also includes authority to limit the use of grain for distilled liquors, but only for a period of five weeks.

The bill contains in Sections 2 and 6 provisions which are not in accord with my recommendations. These provisions are of doubtful value at best. If they are used as an excuse for delaying the enactment of a sound anti-inflation program, they will do far more harm than good.

Purely Voluntary

Section 2 undertakes to authorize a system of voluntary agreements among business men for the allocation of transportation facilities and equipment, for the allocation and inventory control of scarce commodities, and for the regulation of speculative trading on commodity exchanges. These agreements, if approved by the Attorney General, would be accompanied with an exemption from liability under the anti-trust laws.

As the report of the Senate committee on this legislation pointed out, "it should be definitely understood that this part of the program is purely voluntary. No representative of industry, business and agriculture would be compelled to consult with the President. Neither would they be compelled after consultation to enter into any agreement."

Government's Inability

The inability of the Government to protect the interest of the people under this section is apparent. If the members of an industry refuse to make an agreement, there is nothing the Government can do to see that a program is developed for that industry.

If the members of an industry reach an agreement which is inadequate or contrary to the public interest, there is nothing the Government can do to improve it.

If some members of an industry refuse to enter an agreement, or refuse to carry it out when it has been made, there is nothing the Government can do to assist the public-spirited members of the industry to make the agreement effective throughout the industry.

Every effort will be made, of course, to achieve whatever results are possible under this system of voluntary agreements. It is far too late in the fight against inflation, however, to place our main reliance upon voluntary action.

Has Urged Reductions

Efforts to obtain voluntary action by business men have already been extensively tried. Repeatedly during the past year I have urged voluntary price reductions. Other Government officials have attempted in many conferences with business leaders to persuade them of the necessity for making voluntary price reductions. While these efforts to obtain voluntary price reductions have produced some results, they have been wholly insufficient to stem the tide of rising prices.

The Government has also made intensive efforts to encourage conservation practices which help to reduce inflationary pressures.

These efforts have accomplished much good, but they have demonstrated that voluntary measures are not sufficient to insure a fair sharing and the most effective use of vital commodities which are critically scarce.

Source Of Concern

The voluntary methods authorized by Section 2, in the absence of reserve powers to back them up, can therefore be expected to accomplish little.

Another part of the bill which gives me great concern is Section 6. This section proposes that the President submit to the Congress extremely detailed and specific recommendations for mandatory conservation measures for scare commodities. Presumably the Congress would then determine in each case whether the conservation measures proposed by the President should be adopted, and what the details of the measures should be, and pass legislation authorizing them to be put into effect.

It has long been an established practice for the Congress to enact regulatory measures in general terms, leaving it to the administrative agencies to determine when the measures should be applied on the basis of the standards and conditions established by the Congress.

This has proved to be a practicable and workable system. Section 6 of this bill now proposes substantially to reverse this historic process.

Under the provisions of this section, the recommendations which the President is to submit to the Congress can be prepared in the prescribed manner only when the need for mandatory conservation measures is so acute that they should be put into effect immediately.

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Under the normal operation of our governmental system, when an administrative agency had made this kind of determination, it would put the measures into effect at once. But the only course of action authorized under this section is for the President to submit recommendations to the Congress.

Even if the Congress should pass legislation in accordance with the recommendations it would take considerable time. Then, it would still be necessary to establish the administrative machinery which would put the conservation measures into effect.

Take Months To Print

If rationing were authorized, for example, it would still take some months to print and distribute the necessary forms and documents. Furthermore, lengthy congressional discussion of specific controls would invite speculation, hoarding, dumping and other actions to circumvent whatever program might be established.

If the procedure under Section 6 is to be relied upon for dealing with critical shortages, it is hardly possible that effective measures can be taken in time.

The ten-point program which I presented to the Congress on November 17 requested basic authority to deal with inflation. It included a request for authority to regulate consumer credit and business credit, authority to regulate the distribution of scarce commodities which basically affect the cost of living or industrial production, authority to extend and strengthen rent control and authority to utilize, on a selective basis, rationing and price control for essential cost of living items and essential industrial products.

Not Included

The bill which the Congress has enacted fails to include any of these necessary elements.

During the six weeks since I addressed the Congress on November 17, and pointed out the alarming course of inflation, prices have continued to rise.

When I spoke to the Congress, a pound of butter in Washington, D.C., cost 88 cents. Last week, here in Washington, butter reached a new high price of $1.05.

In the last six weeks, men's street shoes in Pittsburgh have gone up from an average of $8.72 a pair to $9.38.

In this same period the price of hogs in Chicago has risen from $24.75 a hundred pounds to $26.40.

A few days ago in Omaha the price of steers reached a new all-time high of $40 a hundred pounds.

Cites Gasoline Price

Since November 17 the price of gasoline has risen in Los Angeles from 21.5 cents a gallon to 23.3 cents.

Inflation and the high cost of living confront the American people—all the American people—with a grave danger. Unchecked inflation can bring on a serious depression that can cause untold hardship.

The legislative and executive branches of the Government must work together if this grave peril is to be conquered.

The American people look to the Congress to pass legislation adequate to perform this all-important task.

I trust that when the Congress returns it will promptly enact an effective, workable program.

GOP ASSAILS TRUMAN VIEW ON CONTROLS

DEC 29 1947

Comment Varies Between Republicans And Democrats On New Measure

Washington, Dec. 28 (AP)—President Truman was accused by a Republican tonight of "deliberately trying to deceive the American people" when he called the GOP anti-inflation bill a "pitifully inadequate" weapon against the high cost of living.

On the other hand, Democrats mobilized quickly behind the President's stand.

Senator Dworshak (R., Idaho) issued this statement:

"He is deliberately trying to deceive the American people into believing that the fallacies of New Deal maladministration and deficit spending can be corrected by legislation. It will be difficult to curb inflation so long as the New Deal administration has control of the executive branch of Government."

Agrees With President

Representative Spence, of Kentucky, a top House Democrat on economic subjects, fired back, declaring: "I agree with the President that this bill is a pitiful, idle gesture by the Republicans toward controlling inflation."

Representative Wolcott (R., Mich.), chairman of the House Banking Committee said if the cost of living is not brought down "the fault will be that of the President and not of the Congress."

Wolcott, who with Senator Taft (R., Ohio) authored the GOP "voluntary agreements" substitute for Mr. Truman's standby price-wage and rationing program, said the Republican bill contained a part of the President's own program and is "all he needs to start his program." He added:

"The Administration itself wanted authority to encourage voluntary agreements as a prelude to compulsory price and rationing powers. Administration witnesses said they would not use these compulsory powers until it had given voluntary efforts a try. . . .

Sparkman's Viewpoint

"How the President uses the powers given him guide us in determining whether further powers will be granted him.

"With the powers given the President in the bill, together with the powers which the Treasury and Federal Reserve already have, if prices are not brought down the fault will be that of the President and not of Congress.

Senator Sparkman (D., Ala.) said "I think the President is completely right in describing this as 'pitifully inadequate.'" He added: "It is inadequate, and I think anyone who studies these problems in an unprejudiced manner will come to the same conclusion as the President did."

Comment From Others

Other comment:

Senator Wherry (R., Neb.): "All the controls the President asked for treat only the symptoms and not the causes of inflation. There are three ways to fight inflation:

"1. Reduce Government expenditures. The Administration has shown no indication of wanting to do this.

"2. Encourage maximum production. We will get more production without controls than with them.

"3. Reduce shipments of scarce commodities abroad. The Administration has made no effort to do this.

"These are all things which the Administration must do itself. There can be no progress against inflation unless the Administration acts on them."

Senator O'Mahoney (D., Wyo.): "I think the record of the debate completely bears out the President's statement. The bill is inadequate, confessedly so, because it contains provisions which represent the belief of a large number of Republican members of Congress that more adequate steps should be taken."

Senator Ball (R., Minn.): "The President's statement is a typical attack on the legislative branch of the Government which traditionally protects our freedom. It smells a bit of politics."

Ball noted that one section of the bill authorizes Mr. Truman to submit a specific control program to Congress whenever he finds that such a step is warranted because of critical shortages of essential commodities.

"That section would keep controls from becoming police state methods. Apparently the President doesn't think much of that section. He just wants power."

Puts Blame On "New Deal"

Senator White (R., Maine), majority leader: "I think effective administration of the new law would produce results. If it does not, additional legislation can be passed if it seems necessary."

In a statement issued prior to that of Mr. Truman, Representative Halleck (R., Ind.), leader of his party in the House, asserted that the Republican anti-inflation bill "will, if properly administered, do much to adjust unduly high prices. . . . Failures of the Administration abroad and incompetence on domestic affairs have fired the boilers of inflation and definitely fixed responsibility for high prices upon the New Deal-Democrat Administration."

The President, Halleck added, "appears to have lost his faith in the American voluntary way of life."

Senator Watkins (R., Utah): "The President is missing a golden opportunity to show a spirit of wholesome co-operation with Congress. He condems in advance of an honest trial the measures Congress said should be tried before more drastic powers are given him."

DEC 29 1947

GOP-DEMOCRATIC UNITY ON ISSUES URGED BY WHITE

DEC 29 1947

WASHINGTON, Dec. 28—(AP) Republican - Democratic cooperation on inflation and other big domestic problems — like the teamwork in foreign affairs—was urged today by Senator White of Maine, the G.O.P. floor leader.

White, who has announced that he is retiring at the close of the 80th Congress, told a reporter it is his belief that Republicans must come forward with an "affirmative" program on domestic issues in the new session beginning January 6 if the party hopes to be successful in the November presidential election.

Urges Cooperation

"We are never going to get anywhere politically by mere fault finding," the Maine senator declared. "We must offer an affirmative program to the people and I hope that we can cooperate with the Democrats, and they with us, to solve some of the country's major problems."

The Democrats, he said, can show how much cooperation they intend to give by their administration of the G.O.P. anti-inflation measure on which President Truman is expected to act tomorrow.

While the President is expected to sign the measure, some Democrats have said privately that he will criticize it at the same time as inadequate. The bill contains none of the standby powers he asked to have over price-wage and rationing. It does provide for controls over exports and transportation facilities and calls for the government to promote voluntary joint action by industry to divide up scarce materials and commodities.

In passing that bill at the end of the special session of Congress, White said, the Republicans "did a respectable job in meeting the inflation problem in the time in which we had to act." He added that the job must not be considered completed until other remedies have been explored.

Speaking generally, White said:

Cites Foreign Stand

"I think the people favor the sort of cooperation that has been possible in foreign affairs and would like to see it extended to home issues."

White said he regarded a December 14 statement of Republican policy, approved by the party conference, as "a step in the right direction" toward forming the sort of affirmative program he would like to see put into operation.

This statement laid down a 10-point attack on the issue of rising living costs, a program covered in part by the legislation now on President Truman's desk.

White's call for an affirmative program lines him up with some of the newer Senate Republicans. Senators Baldwin of Connecticut and Flanders of Vermont have been sounding that note for two months and are credited with moving the leadership along a little faster than it otherwise might have gone.

CAPPER FORESEES 1948 INDECISION

DEC 29 1947

Kansan Says Congress Will Feud Over Feeding Europe

Washington, Dec. 28 (AP)—For months to come Congress "will be fighting and feuding over feeding and fueling Europe," Senator Capper (R., Kan.) forecast today.

But he predicted the European recovery program will be adopted in the coming session of Congress "with more or less complete understanding that it may not succeed."

"My best guess right now is that for the coming several months, in Congress and over the country, the year 1948 will look like and sound like the year of indecision," the veteran senator said.

Program Called "Big Task"

"This coming session of Congress will face as its first big task, the European recovery program."

That program, as presented to Congress by President Truman, commits the United States to a world support program, Capper added, saying:

"I cannot help wondering whether our national leadership at the present time is not indulging in some delusions of grandeur," the senator said.

He declared there appeared to be two alternatives in Europe, one of getting out and letting that continent work out its own destiny or of aiding it to get started again. For the present, the first alternative is "unthinkable," Capper said, as it would create a vacuum into which the Communists would move.

"Must Take Risk"

"We must, and I think we will, take what Senator Vandenberg (R., Mich.) calls a calculated risk," he added.

Capper's remarks were in a speech delivered over a Topeka, (Kan.), radio station.

A consistent critic of the Administration's aid program in the House, Representative Jonkman (R., Mich.), said it intends to use the Marshall plan to promote competition in American markets from cheap foreign goods.

Message Quoted

"They come right out and say so," Jonkman asserted, "in this report President Truman sent up with his message."

That was the message on the final day of the special session of Congress asking that the spending of $17,000,000,000 over four and a quarter years be authorized for a European recovery program.

In the report is a section which says:

"In particular, world economic conditions must permit the importation of substantial quantities of European products into the United States and other countries of the Western Hemisphere. This condition will require high levels of economic activity and employment in the United States and expanding prosperity elsewhere in the Western Hemisphere, as well as trade policies favorable to the maximum interchange of goods and services.

Needs Cited

"It will depend to an even greater degree upon European ability to make Europe's products competitive in Western Hemisphere markets, with costs lowered through improved production methods."

Right now, Jonkman said, the United States could stand some of this competition. He said the country even could bring in more goods from Latin America, as well as Europe.

"But what happens if we have a depression?", he asked. "We'd be letting in a lot of cheaply produced stuff that would result in unemployment in the competing American industries and we would have none of those 'high levels of economic activity.'"

GOVERNMENT SPECULATORS TO BE NAMED

About 100 U.S., State And Municipal Workers To Be Listed Today

DEC 29 1947

Washington, Dec. 28 (AP)—Clinton P. Anderson, Secretary of Agriculture, said today that he plans to issue tomorrow a list of about 100 employés of Federal, state and municipal governments who, he said, had speculated in commodities since January 1, 1946.

He said comparatively few on the list are Federal employés and that some are army and navy officers.

At the same time, he branded as "loose talk" a congressional charge that 200 unidentified Federal employés in Chicago had speculated in commodity futures markets on the strength of "inside information" on Government buying policies.

"Put Up Or Shut Up"

He called upon Representative August H. Andresen (R., Minn.), chairman of a special House committee on commodity speculation to "put up or shut up" in giving additional information on these charges.

Andresen, in a letter to Anderson, said he had been informed that the Agriculture Department's commodity exchange authority had investigated alleged speculative operations by 200 Government employés in Chicago.

In a formal statement issued today, Anderson said he knew of no such investigation.

Does Not Intend To Shut Up

Andresen, at work on Capitol Hill when Anderson issued his statement, made known immediately he does not intend to "shut up." He made this statement:

"The committee will make a full and complete investigation of that situation in Chicago, and we will not be diverted by the Secretary or anybody else from our plans to make this investigation.

"The information which was submitted to me comes from what I believe to be reliable sources and warrants an investigation.

"We have no intention of smearing anyone, in or out of Government service, and if certain employés in Chicago and elsewhere are found not to be speculating on inside information we will so state."

"Takes Strong Exception"

Anderson took strong exception to Andresen's claims.

"The Sunday morning papers carried the report of an interview with Congressman Andresen, chairman of the House Committee on Commodity Speculation, which changes loose talk into a most serious charge against 200 unnamed Government employés," Anderson's statement said.

Stating that he had not seen the letter which Andresen had sent him, the Secretary said he was "shocked at the headlines it provoked."

Public Apology Asked

"This time he should either publicly apologize to the employés he has slandered or produce his facts in open committee session and permit me to crossexamine any witness he produces to sustain them."

The Secretary said that after all, honest Government employés are entitled to protection.

"Since he has called on me for a list of names he might let me defend the reputation of the nameless 200 who cannot reply in person because he has blanketed them in a wholesale accusation that reflects on Government employés generally without giving anyone the chance to clear his own name of a specific charge."

Hoffman Is Critical

Before Anderson issued his statement, Representative Hoffman (R., Mich.), chairman of the House Expenditures Committee, came up with one of his own, critical of the Cabinet member.

Hoffman said that Anderson, in releasing two lists of traders thus far, is merely "throwing the telephone book at Congress" and making little effort to track down real "inside" speculators in food supplies.

The names of Government employés to be released in tomorrow's list of speculative traders were gathered in the department's special surveys of transactions on the commodity markets during the past two years.

Anderson told newsmen that the list will include two or three employés of his own department. He said they were minor employés, one a soil conservation clerk in the South, another a "little fellow" employed by the Farm Credit Administration in the Northwest. None, he said, are officials connected in any way with the department's commodity purchase operations.

"Shocking," Says Anderson

The Secretary said the "shocking and unconscionable part" of Andresen's charges related to claims that the Chicago employés maintained an alleged "speculative pool" in dealing in commodity futures.

Anderson also said he had noted that Chairman Andresen and some other members of Congress have "bemoaned the fact" that two lists of more than 1,900 traders already made public by the department have been of "little value" to those claiming that "Government insiders" have been speculating in the markets.

"That is not my thought," the Secretary said. "Congress wanted all names made public, and I am doing that as rapidly as possible.

"If the listings are not packed with aliens or insiders, if they contain no political dynamite, I know the political pain, anxiety and frustration that will beset Mr. Andresen. That is always the result of going bear hunting with an empty gun."

Sayre Would Ignore Russia In Planning For European Aid

DEC 29 1947

Washington, Dec. 28 (AP)—The United States should go ahead with plans for helping Europe regardless of a "Soviet campaign of calumny and blistering abuse," Francis B. Sayre, president of the United Nations Trusteeship Council, urged today.

Sayre also advised that "we must not dally with appeasement" but "must win the Russian people's help if we can."

"A rehabilitated Europe will spell the collapse of Soviet plans for world domination," he said.

Sayre, a member of the United States United Nations delegation and a former High Commissioner to the Philippines, advised adoption of the Marshall plan and efforts to make it work.

Russian Plotting Major Peril

He said in an address for the American Political Science Association that Russian plotting against human freedom" faces the world with a major peril. Others he listed as the threat of the atomic bomb and "the deadly danger of our own complacency and self-seeking."

Nevertheless, Sayre said, "In spite of her provocative words and acts the Soviet Union is not now prepared to wage war with any first-class power." He said "there is still breathing time to seek saving policies.

"If the Atlantic Charter of August 14, 1941, the Allies declared that they would 'seek no aggrandizement, territorial or other,' as a result of the war, Sayre noted.

Soviet Takes Territory

"The Soviet Union, nevertheless, since 1939 has de facto annexed territory comprising an area of more than 280,000 square miles, with a population of some 22,000,000 people; has trampled on the freedom and the independence of Estonia, Latvia and Lithuania, and has established political or economic strangleholds in other parts of eastern Europe.

"It has become the active exponent in countries beyond its own borders of government without, or against, the consent of the governed. . . .

"When, in the United Nations Assembly, it finds itself voting in a small minority against the world, it boycotts the United Nations Balkan Committee, the Korean Commission and the interim committee. Persistent opposition to human freedom . . . is bound in time to develop profound and crucial cleavages with freedom-seeking humanity."

Opposes Defeatism

Advising strongly against defeatism and other pessimism, Sayre said such attitudes are based largely on misunderstanding, fear and ignorance.

"If, especially in America, we can appraise truly the existing world situation and at the same time can resist the forces of complacency and apathy and overcome the intriguing influences of selfish pressure groups, there is no reason on earth why we cannot formulate a positive program and move forward to a more secure and better world," he asserted.

As optimistic factors Sayre noted that the most powerful nations are "profoundly committed to peace" and that the United States now is internationally minded and apparently ready to play the role of world leader.

As to the atomic bomb, Sayre said that the United States is "superbly succeeding" in making the weapon "more deadly, more terrible." He said that thus far the Soviet refusal to agree on international control proposals had made international safeguards impossible.

Government committees won two of three awards by the science association for the best publications of the year in political science. They were the President's committee on civil rights, headed by Charles E. Wilson, for its recent report, "To Secure These Rights;" and the board of consultants for the Secretary of State's committee on atomic energy, headed by David E. Lilienthal, for its "Report on the International Control of Atomic Energy."

PERON ENVOY SCORED BY WELLES FOR NOTE

DEC 29 1947

WASHINGTON, Dec. 28 (AP)—Sumner Welles, who was linked by the Argentine Ambassador with an "insult" to President Perón, issued a denial today. He observed too, that the people of all the Americas do not like "interference" by foreign diplomats in their personal or political affairs.

The Ambassador, Oscar Ivanissevich, wrote to the former Under Secretary of State that he was "amazed" that Mr. Welles was a "sponsor" of the Americans for Democratic Action, which issued a pamphlet referring to President Perón as "treacherous."

Mr. Welles made public a letter replying that he was neither a sponsor nor member of the organization, but that he authorized use of his name as a sponsor of an ADA report on "a liberal foreign policy for the United States." This report contained the criticism of President Perón. Mr. Welles said, however, he specifically objected to that feature of it. He declared, too, that his written endorsement referred to "the direction and general purposes" of the document. Further, he said, his letter "expressed strong objection to the very passage to which you have referred."

"You should learn that the people of the United States, like the people of all of the other American Republics, object most vigorously to the interference by the representatives of foreign governments in their personal affairs or in their political concerns."

Mr. Welles took occasion to refer to the association's foreign policy outline as being, on the whole, "most constructive and truly liberal." The report, among other points, supported the Marshall plan.

Russia Says U. S. Planes Violate Kuriles Boundary

WASHINGTON, Dec. 28 (AP).—Russia was reported today to have protested to the United States that American planes from Japan have violated the boundaries of the near-by Kurile Islands, now under the Soviet flag. The Kuriles lie northwest of Japan.

DEC 29 1947

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Diplomatic authorities who disclosed it said this was the latest of a series of such charges involving American flights in the Far EEast to be filed by Moscow since the end of the war. They said it involved only local issues which normally could be settled by military commanders on the spot.

Other protests have charged American flyers in Korea with crossing the thirty-eighth parallel of latiture which separates the American and Soviet occupation zones. One United States Army airfield is close to this boundary.

By contrast with the Soviet procedure of resorting to diplomatic action, the United States has followed a policy of letting military field commanders undertake to settle incidents resulting from Soviet violations of areas under American command.

The Soviet complaint in the Kuriles case has been turned over to the Department of the Army for a detailed report before a reply is made, the diplomatic authorities said. The American official position all along has been to deny any intentional border violations.

"Disloyalty Lasting Stigma"

Answering questions at a news conference in connection with release of the statement, Richardson said he personally believed that "A charge of disloyalty to the government is a perfectly terrible charge," carrying lasting stigma.

For that reason, he said the board will require privacy in all proceedings, even though the employe under investigation asks for public hearings, and will give its final findings only to the head of the agency concerned, and the employe.

The employe, he said, may "do as he sees fit" about publicizing the matter.

"We have provided no machinery for acquainting the public with the disposition of cases," he added.

The board chairman disclosed that the FBI is currently training a special detail of agents for the loyalty check, and that in order to protect sources of FBI information, it will not be possible in many cases to tell a suspected worker who supplied the initial information that led to his investigation.

Uphold's Government's Right

Conceding that this "will deprive an accused person of confronting and cross-examining his accuser," Richardson said the board had debated whether there could be any loyalty check at all under such circumstances. The board's decision, he asserted, was that the government had as much legal right as the private employer "to discharge for reasons which seem sufficient." and without hearing if it saw fit.

But in order to meet the objection of "non-confrontation and lack of opportunity to cross-examine source witnesses," the board outlined an elaborate hearing and review procedure to counter-balance this feature.

Procedure for Hearing

This procedure provides:

The fingerprint and personal and affiliation data now requested of every federal worker will be examined by the FBI.

If the examination develops "derogatory" material bearing in the question of loyalty or "if from other sources, the bureau should be advised of such pertinent facts," the bureau will undertake a full investigation into that employe's activities.

The FBI report will go to the head of the agency employing the individual concerned, and he in turn will present it to the Loyalty board functioning in each governmental department. This board may decide that no basis for action exists, whereupon, that case will be closed.

Should the agency board decide that "facts exist which require explanation, "it will prepare a letter of charges in the fullest possible detail" for presentation to the employe involved.

Upon request of the employe, a speedy hearing will be granted, at which the employe may appear with an attorney, answer the charges and offer reply-evidence.

Should the employe be dissatisfied with the outcome of this hearing, he may appeal to his agency head, for further hearing.

If the agency head's decision is unfavorable, the employe may then go to the Loyalty Review board, which will be required to name a panel of members to go over the entire matter and hear argument.

The decision of the panel is subject to review by the full board, for final disposition.

Regional Checks on Way

The same procedure will be followed on applicants for government employment, except that a regional loyalty board will substitute for the agency loyalty board as the court of first review, and in lieu of a letter of charges, the applicant will be given a detailed set of questions to be answered.

The bi-partisan review board, named by President Truman last November, now includes 22 prominent citizens from all parts of the country. Richardson said that possibly five or six additional members may be named soon from the Far West to facilitate panel hearings for employes in the Pacific coast area.

The chairman estimated that on the basis of prescribed procedure, no case will reach the review board earlier than late January.

DEC 29 1947

Strict Secrecy Will Rule In Loyalty Review Board

WASHINGTON, Dec. 28 — (AP) Chairman Seth W. Richardson of the government's Loyality Review board today announced a rule of strict secrecy in disposing of the cases of government employes suspected of disloyal acts.

And he emphasized that acts—not opinions—are the chief concern of his agency, the "supreme court" in the check that is being made on federal worker loyalty.

Everyone concerned with the check, he asserted, has been instructed "to pay no attention to American differences of opinion."

Releasing the first comprehensive statement on board aims and procedures, Richardson said:

"The board feels strongly that advocacy of whatever change in the form of government or the economic system of the United States, or both, however far-reaching such change may be, is not disloyalty, unless that advocacy is coupled with the advocacy or approval, either singly or in concert with others, of the use of unconstitutional means to effect such change."

Congress Groups Oust 4 as Pro-Red

DEC 29 1947

Ball Tells of Dismissals of Committee Employees

WASHINGTON, Dec. 28 (AP).—Congressional committees have cut four persons off their pay rolls after an investigation of reports that they were Communist fellow travelers, Senator Joseph H. Ball, Republican, of Minnesota, disclosed today.

Senator Ball told a reporter that he personally reported the case against one Senate employee to the chairman of the subcommittee on whose staff he worked. After an inquiry by the Federal Bureau of Investigation, Senator Ball said the employee was permitted to resign.

Subsequently, the Senator said, a House committee chairman was informed that three persons who formerly worked for a Senate group and had been put on the House pay roll were suspected fellow travelers.

Although Senator Ball said there had been no general loyalty check of Congressional employees, it was evident that Republican leaders are taking steps along this line. A broad new inquiry is developing into reports that Communists and fellow travelers are on the pay rolls of some government departments.

In this connection, the Minnesota Senator said that the Senate Appropriations Committee is continuing to "look into" State Department compliance with a legislative order to rid its rolls of Communists and others whose loyalty might be questioned.

He expressed displeasure that some of these persons had been permitted to resign without prejudice to future government employment. He heads the appropriations subcommittee which considers State Department money requests and indicated this matter will be taken up when the regular bill comes before his group.

"So far as their record shows, they could go out and get a job with another government department," he said. "The instructions were to remove them from the pay rolls, not to let them resign."

DEC 29 1947

Jet Fighter Squadron Arrives In Arctic for 'Mass' War Tests

WASHINGTON, Dec. 28—(AP) The air force has put an entire jet fighter squadron into Alaska "for the first mass tactical operation" of the high speed warplanes in the Arctic outpost.

It said today the 94th Squadron of P-80B fighters had arrived at Ladd Field, near Fairbanks, to begin six months training operations.

A fighter squadron usually is composed of about 24 aircraft.

The assignment of the 94th for the long training period in the Arctic apparently is in line with the air force program of combining training with garrisoning of the strategic northern defense area.

By rotating crews and airplanes in units of squadrons on training assignments in the north, the air-force is able to maintain an interim defense system, pending the time when the permanent organization reaches its full (but unannounced) strength in Alaska. For the last eyar, B-29 units as well as fighter squadrons have been given training assignment in Alaska to familiarize air and ground crews with problems there.

Commanded by Lt. Col. Donald E. Hillman of Seattle, the 94th Squadron is a unit of the tactical air command's 1st Fighter Group (a group is composed of three squadrons), based at March Field, Calif.

Because the planes wil encounter temperatures ranging down to 65 degrees below zero, they have been given special "winterization" treatment.

The air force did not expand its reference to the "first mass tactical operation of jet aircraft in the Arctic." However, it may be assumed that in addition to the training for air and ground crews in servicing and flying more than a score of jet planes in arctic cold, those responsible for strategy will have a definite interest in the operations.

They will disclose, for instance, how long it would take an interceptor force of jet fighters to get into the air from Ladd field and fly to the northern or western coast of the territory to engage any enemy force approaching from those directions. While the flying time for an individual plane is easily computed, strategists will want to know how soon a full squadron could take off after an alert to the operations base "ready room" and arrive in formation at a given point.

Wallace's Message Assails Un-American Activities Unit

Tulsa, Okla., Dec. 28 (AP)—Henry A. Wallace today assailed recent hearings of the House Un-American Activities Committee as an "utterly nauseating spectacle" and accused the committee of trying to silence those "who are most adept at carrying truth to the people."

The charges were made in a prepared address telegraphed from Chicago by the former Vice President and read before the general convention of Alpha Phi Alpha, a Negro fraternity.

In the message from Chicago, Wallace said that travel difficulties made it impossible for him to reach Tulsa in time for the address.

Read By Dr. Foreman

It was read for him by Dr. Clark Foreman, of Washington, president of the Southern Conference of Human Welfare and a former Federal works administration official.

Discussing what he said was the House committee's "great drive against liberals, progressives and Communists," Wallace asserted:

"This drive is not made against these groups, including the Communists, because they are advocating the overthrow of the Government by force and violence.

"It is directed against them because they have demanded that we give meaning to the words 'equal opportunity for the pursuit of happiness.' . . .

"The House committee has taken the offensive against truth. It is trying to silence the writers and political leaders who are most adept at carrying truth to the people.

"It is trying to intimidate into silence the professors, teachers, scientists and ordinary citizens who like to speak the truth.

"It is receiving whole-hearted assistance from the craven men in the motion picture industry. It will receive similar assistance from the big-money men on the boards of of trustees of universities and colleges."

Wallace devoted most of his text to assailing "Jim Crow" legislation and thinking and declared "the Un-American Committee is a fortress for the defense of Jim Crow."

Applause Is Frequent

A mixed audience of Negroes and whites applauded frequently at passages in Wallace's text calling upon the Administration and Congress for action to insure full voting privileges for Negroes in the South and for what he called an "offensive" against "Jim Crow."

Handbills bearing the name of the "Anti-Communist League of Oklahoma" were distributed at entrances to the auditorium. They announced that Gerald L. K. Smith, now a resident of Tulsa, would "answer Henry Wallace and the pro-Stalin elements associated with him" at a mass meeting in the same building January 26.

Tel Aviv's Mayor Arrives By Plane

DEC 29 1947

Philadelphia, Dec. 28 (AP)—The present Arab-Jewish conflict in Palestine is "greatly exaggerated," Israel Rokach, Mayor of Tel Aviv, declared today on his arrival here aboard a Dutch Airline Constellation plane.

The 51-year-old Mayor, making his first trip to the United States, said he wanted to tell the American people and President Truman about actual conditions existing in the Holy Land.

"There are isolated shooting incidents between various groups, but nothing approaching warfare," the Mayor declared after stepping from the plane with his wife, Esther, Abraham Harzfeld, Palestinian economist.

To Make Speaking Tour

Rokach declined further comment, declaring he would have plenty to say in a forthcoming United States tour and at the Jewish National Fund of America Conference in New York next week.

[Mayor Rokach is to speak in Baltimore at Chizuk Amuno Synagogue on January 20.]

Mrs. Rokach beamed with pleasure at being in the United States, and said her first desire was for "some American ice cream."

Harzfeld is an expert on colonization and came along to advise on specific partition procedure in which he is expected to participate when actual division of the Holy Land is carried out.

Rokach and his party were greeted by a delegation of the Jewish National Fund. All left immediately for New York. Mayor William O'Dwyer will greet the visitors in an official ceremony in front of New York's City Hall tomorrow.

Editors Give Views on Outlook On War and Politics for 1948

DEC 29 1947

NEW HAVEN, Dec. 28 — (AP) Eight Connecticut editors today peered into the future, during a Connecticut Forum of the Air broadcast, and came up with numerous predictions.

The 1948 presidential election, the possibility of war and the state sales tax were popular subjects.

Combining two of the subjects—war and politics—E. R. McCullough of The Stamford Advocate, predicted there will be no war in 1948—Russia is not ready for it, but that Russia will be an irritant in our 1948 political conventions—using Communist propaganda He also forecast a levelling off of inflation, good business and prosperity.

In the opinion of John H. Thompson of The Torrington Register, General Eisenhower will make the most popular presidential candidate; Taft the most politically pleasing, but Dewey will make the best President of the United States; war may come at the end of the year with Russia.

Herbert L. Crapo of The Litchfield Enquirer disagreed, stating that there will be no peace in 1948; if there will not be a major war, there will be aggression and minor wars as in 1939. Henry Wallace, he added, will adversely affect the chances of a Democratic victory. Eisenhower is the only man who can save the Republican party in 1948, he said.

Philip Dudley of The Shore Line Times predicted no war with Russia, said this talk is just hysteria in the United States; President Truman will win by default; the Republicans have missed the boat and the only presidential Republican candidate will be one of the young Republican senators, he said.

Fred Rodell, Yale professor of law who has contributed articles to several national magazines, forecast that Wallace will announce on Monday his candidacy to head a third party; Eisenhower will, therefore, not be in the running for the Republican ticket, since, he said, they will not need Eisenhower for with Wallace heading a third party, Republicans can win without him; Wallace's action will sound the death knell for Dewey who is slipping up-to-date anyway, he said. Rodell saw victory ahead for a conservative Republican. He foresees Taft for the presidency; Stassen for the vice-presidency, and in the event that Taft's strength should diminish by convention time, Governor Warren of California may be the candidate for the Presidency and U. S. Senator Raymond E. Baldwin the vice-presidential nominee, he said. The only way the Democrats can win, according to Rodell, will be to nominate Supreme Court Justice William O. Douglas. If Baldwin does not get the vice-presidential nomination, he will then not serve out his full term in the U. S. Senate, he predicted.

Herbert Brucker of The Hartford Courant, who recently returned from an European trip, predicted that the Marshall plan will be enacted by Congress to make peace in the world; the Marshall plan is necessary and if we were to go to Europe and see, as he had seen, we would urge its passage, he said.

Charles Hemingway of The Hartford Times predicted that the city management form of government in Hartford will be successful and will prove that politics can be divorced from government.

Another speaker, Curtiss Johnson of The Deep River New Era, saw no depression in '48, only great prosperity.

He and some others felt that the sales tax will be amended drastically or revised with the use tax abolished.

Thompson also predicted the nomination of Chester Bowles as the Democratic candidate for governor, but said Governor McConaughy will defeat him. Congress will put through an income tax cut in its opening 1948 session, he added.

Mrs. R. Sees Basis For Russ-U.S. Ties

New York, Dec. 28 (AP)—Mrs. Eleanor Roosevelt said today a common ground for agreement between Russians and Americans probably can be found on the economic and social rights of man and thus lead to agreement on other subjects.

Speaking on the radio program originated by the late Mayor LaGuardia, Mrs. Roosevelt said that at the recent meeting of the United Nations' Commission on Human Rights in Geneva, the Russians emphasized the "right of man to a job, the right to paid vacations, the right to decent working conditions." Americans could agree fully on such subjects, she said.

Mrs. Roosevelt said all the commission hoped to do was to write a declaration of human rights for eventual presentation to the General Assembly next fall.

"However, a declaration has no binding force but only a moral force," she said. "A nation would not be bound to change its home legislation to accomplish those ends."

DEC 29 1947

LONDON DEC.28-(AP)-BRITAIN WILL RECEIVE 750,000 TONS OF COARSE GRAIN FROM RUSSIA, INSTEAD OF THE 500,000 TONS OF ANIMAL FEEDSTUFFS PREVIOUSLY REPORTED, THE OFFICIAL SOVIET NEWS AGENCY SAID TODAY.

TASS REPORTED A TRADE AGREEMENT SIGNED LAST NIGHT IN MOSCOW ALSO CONTAINS A DECISION TO BEGIN NEW, LONGER RANGE TRADE TALKS BY NEXT MAY.

A SPOKESMAN FOR THE BRITISH BOARD OF TRADE CONFIRMED THE SIGNING OF THE PACT BUT DECLINED TO DISCLOSE ITS DETAILS BEFORE MONDAY. A MOSCOW DISPATCH SAID THE BRITISH NEGOTIATORS LEFT THE RUSSIAN CAPITAL TODAY FOR HOME.

TASS SAID RUSSIA GUARANTEED TO DELIVER THE 750,000 TONS--ABOUT 27,500,000 BUSHELS--OF GRAIN BETWEEN NEXT FEBRUARY AND SEPTEMBER AT PRICES AGREED UPON BUT NOT DISCLOSED.

"AGREED TO ASSIST IN PLACING ORDERS IN BRITAIN" BY SOVIET ORGANIZATIONS FOR EQUIPMENT FOR MECHANIZATION OF THE (SOVIET) TIMBER INDUSTRY, FOR PLYWOOD FACTORIES AND SAWMILLS AS WELL AS FOR ELECTRICAL AND OTHER EQUIPMENT.

FURTHER BRITAIN AGREED "TO DELIVER TO THE SOVIET UNION IN THE NEAR FUTURE A FIRST CONSIGNMENT OF RAILS FOR NARROW GAUGE RAILWAYS AND TO TENDER ASSISTANCE THROUGH APPROPRIATE TRADE CHANNELS IN THE PURCHASE BY SOVIET ECONOMIC ORGANIZATIONS OF WOOL, RUBBER, ALUMINUM, COCOA BEANS, COFFEE AND OTHER GOODS," THE NEWS AGENCY SAID, ADDING: "AS REGARDS DELIVERIES OF TIN TO THE SOVIET UNION," THE TWO GOVERNMENTS AGREED TO DISCUSS THIS MATTER AT AN EARLY DATE."

TASS SAID BRITAIN "ACCEPTED THE PROPOSALS" OF THE SOVIET GOVERNMENT IN REGARD TO MODIFICATION OF THE TERMS" OF A WARTIME CIVIL SUPPLIES AGREEMENT INCLUDING A REDUCTION OF THE INTEREST RATE ON THE CREDIT.

LAST AUG. 1 AFTER EARLIER TRADE TALKS HAD BROKEN DOWN, RUSSIA FAILED TO PAY BRITAIN ROUGHLY HALF OF A £4,000,000 ($16,000,000) INSTALMENT ON THE CIVIL CREDIT AGREEMENT.

TASS SAID THE NEGOTIATORS OF THE TRADE AGREEMENT REVISED THE LOANS TO PROVIDE FOR PAYMENT IN 12 EQUAL ANNUAL INSTALMENTS BEGINNING IN FOUR YEARS.

THE NEWS AGENCY ADDED THAT "WITH ONLY A FEW EXCEPTIONS" BRITAIN CANCELLED CLAIMS AGAINST RUSSIA FOR "DELIVERIES AND SERVICES RENDERED DURING THE SECOND WORLD WAR."

MJ126PES

30.24- 14517

LONDON, MONDAY, DEC. 29-(AP)-DR.HEWLETT JOHNSON, WIDELY KNOWN AS THE "RED DEAN" OF CANTERBURY, REITERATED HIS BELIEF THAT THE SOCIALIST ECONOMY "IN THE SOVIET UNION IS MORE SCIENTIFIC AND CHRISTIAN THAN OUR CURRENT CAPITALISM" IN A LETTER TO THE LONDON TIMES TODAY DEFENDING HIS RIGHT TO SAY WHAT HE PLEASES.

JOHNSON RECENTLY WAS REBUKED PUBLICLY BY DR.GEOFFREY FISHER, ARCHBISHOP OF CANTERBURY, WHO DISCLAIMED RESPONSIBILITY FOR THE DEAN'S EXPRESSED SYMPATHY WITH COMMUNIST AND SOCIALIST REGIMES. AT THAT TIME JOHNSON REPLIED HE HAD THE RIGHT AND RESPONSIBILITY AS A CHRISTIAN SPOKESMAN TO EXPRESS HIS SOCIALIST VIEWS.

HIS LONG LETTER TO THE TIMES ENDED BY ASKING, "DO MY CRITICS SUGGEST THAT ON HIGH PREFERMENT I SHOULD CEASE TO EXPRESS MY REAL CHRISTIAN CONVICTIONS OWING TO ECCLESIASTICAL EXPEDIENCE?"

EARLIER IN THE LETTER DR.JOHNSON SAID "THERE WAS LITTLE EXPRESSED COMPLAINT OF MY OPINION IN ECCLESIASTICAL QUARTERS WHEN THE U.S.S.R. WAS X X X, IN MR.CHURCHILL'S GRAPHIC PHRASE, 'TEARING THE GUTS OUT OF THE GERMAN WAR MACHINE' X X X.

"IN MY ORIGINAL REPLY TO THE ARCHBISHOP I URGED THAT SOCIALISM WAS IN MY VIEW NOT ONLY SCIENTIFIC BUT THE LOGICAL CONSEQUENCE IN OUR AGE OF CHRISTIAN MORALITY. X X X I EMPHASIZE IT TODAY--AND NOT AS A POLITICAL QUESTION BUT AS A CHRISTIAN AND MORAL ONE."

MQ1157PES

DEC 29 1947

LONDON, DEC. 28-(AP)-THE MOSCOW RADIO SAID TONIGHT BULGARIA HAD DENIED THROUGH THE BULGARIAN TELEGRAPH AGENCY THAT SHE WAS MAINTAINING MILITARY FORCES IN EXCESS OF THE PEACE-TREATY LIMIT OF 62,000.

THE BROADCAST, BASED ON A SOFIA DISPATCH OF THE SOVIET NEWS AGENCY TASS, QUOTED THE BULGARIAN GOVERNMENT AS SAYING THAT BRITISH FOREIGN SECRETARY ERNEST BEVIN'S DEC. 17 ESTIMATE OF 206,000 TO 266,000 "DOES NOT CORRESPOND TO THE FACTS."

"THE STRENGTH OF THE ARMED FORCES OF BULGARIA DOES NOT EXCEED THE FIGURE ESTABLISHED BY THE PEACE TREATY AND IS WHOLLY IN ACCORDANCE WITH IT," THE BROADCAST BULGARIAN STATEMENT ADDED.

BEVIN, REPLYING TO A QUESTION IN THE HOUSE OF COMMONS, SAID THE LATEST INFORMATION IN LONDON WAS THAT BULGARIA HAD 76,000 MEN IN HER ARMY, 10,000 FRONTIER GUARDS, 80,000 TO 100,000 MILITIAMEN (POLICE) AND 40,000 TO 80,000 IN LABOR BATTALIONS. HE ADDED THAT THESE LAST RECEIVED LITTLE MILITARY TRAINING.

BEVIN SAID GREAT BRITAIN NEVER HAD RECEIVED A REPLY TO A REQUEST OF LAST OCTOBER FOR OFFICIAL FIGURES FROM BULGARIA.

MQ919PES

DEC 29 1947

Naples addr Jan 7

CHARLES E.REILLY, 37, OF (5 S.MAPLE AVE.) EAST ORANGE, N.J., CAPTAIN OF THE EXIRIA, RECALLED THAT HIS LAST TRIP TO NAPLES WAS IN NOVEMBER, 1943, WHEN HE DELIVERED SHERMAN TANKS AND EXPLOSIVES FOR THE ALLIED DRIVE UP THE PENINSULA.

THREE ITALIAN CHILDREN FORMED AN UNOFFICIAL WELCOMING COMMITTEE FOR THE EXIRIA.

ONE WAS VINCENZO FILLIPONI, 11, NO BIGGER THAN A NORMAL FIVE-YEAR-OLD AMERICAN BOY. HE SAID HIS RIGHT LEG WAS BLOWN OFF BY A GERMAN HAND-GRENADE IN SEPTEMBER, 1943.

MARIO DAMATA, 13, SHOWED BARE, BADLY MUTILATED FEET, INJURED IN THE SAME WAY.

DEC 29 1947

THE THIRD CHILD WAS A LITTLE GIRL WEARING ONLY A CAST OFF SWEATER HANGING TO HER KNEES. SHE COULD FORM NO INTELLIGIBLE WORDS, BUT THE OTHERS SAID HER NAME IS MARIA MUNDE AND THAT SHE IS SIX YEARS OLD.

THEY HAD SNEAKED INTO THE PORT TO BEG CIGARETTES. TOLD THE SHIP HAD BROUGHT GIFT FOOD FROM THE AMERICAN PEOPLE, THEY WAVED ENTHUSIASTICALLY.

THEY SAID THEY DOUBTED THEY WOULD RECEIVE ANY OF THE FOOD BECAUSE THEY ARE NOT IN ANY OF NAPLES' OVERCROWDED CHILD INSTITUTIONS.

THEY ASKED AGAIN FOR CIGARETTES.

G1252PES

DEC 29 1947

WITH ALEXANDRIA

CASCAIS, PORTUGAL, DEC. 28-(AP)-UMBERTO II, ITALY'S LAST KING, WAS PREPARING TO LEAVE FOR EGYPT TODAY WHEN HE RECEIVED WORD OF THE DEATH OF HIS FATHER, VITTORIO EMANUELE III. UMBERTO HAD RECEIVED WORD EARLIER THAT HIS FATHER WAS SERIOUSLY ILL.

AIDES SAID HE RETIRED TO PRAY IN HIS ROOM. HIS WIFE, THE FORMER BELGIAN PRINCESS MARIE JOSE, WAS IN SWITZERLAND.

MQ524PES

DEC 29 1947

ATHENS, DEC 28-(AP)-GREEK ARMY FORCES BATTLED TODAY TO CRACK A 50-SQUARE MILE TRIANGLE HELD BY COMMUNIST-LED GUERRILLAS IN THE AREA OF KONITSA, STRATEGIC TOWN FIVE MILES FROM THE ALBANIAN BORDER. RAIN AND SNOW HAMPERED THE OPERATIONS.

KONITSA ITSELF REMAINED IN GOVERNMENT HANDS, ALTHOUGH ITS DEFENSE GARRISON WAS ISOLATED. IT WAS ESTIMATED HERE THAT 23 GUERRILLA BATTALIONS WERE TAKING PART IN THE FIGHTING--POSSIBLY 6,900 MEN.

THE BATTLE ZONE FORMS A TRIANGLE ON LINES FROM KONITSA SOUTHWEST TO KALPAKI, THEN NORTH TO THE BOUROZANI BRIDGE 11 MILES WEST OF KONITSA. BITTER FIGHTING OCCURRED ALONG THE ROAD FROM KALPAKI TO THE BRIDGE.

MEANWHILE, FAR-REACHING LEGISLATION OUTLAWING THE COMMUNIST PARTY, FELLOW TRAVELERS AND THE LEFT-WING EAM WENT INTO EFFECT TODAY. IT PROVIDES SENTENCES RANGING FROM 20 YEARS TO THE DEATH PENALTY FOR PERSONS WHO DESIRE OVERTHROW OF THE GOVERNMENT BY VIOLENCE, FAVOR DETACHMENT OF ANY PART OF GREECE, OR WHO SYMPATHIZE WITH SUCH AIMS.

C958AES

DEC 29 1947

EDITORS:-

ATHENS--FIRST LEAD GREEK, INSERT AFTER FIFTH GRAF BEGINNING "MILITARY COURTS" AND ENDING "MINOR OFFENDERS."

THE MINISTRY OF JUSTICE DRAFTED THE MEASURE, WHICH WAS PATTERNED AFTER AN ANTI-COMMUNIST LAW PASSED IN 1929 BUT NOT RECENTLY ENFORCED. THE NEW LAW WAS APPROVED TODAY BY THE COORDINATING COUNCIL, WHICH IS EMPOWERED TO LEGISLATE WHEN PARLIAMENT IS IN ADJOURNMENT. IT BECAME EFFECTIVE WITHIN 10 MINUTES AFTER APPROVAL BY PUBLICATION IN THE GOVERNMENT GAZETTE.

COMMENTING ON X X X SIXTH GRAF.

RW646PES

DEC 29 1947

SOFIA, BULGARIA, DEC. 28-(AP)-A MASS MEETING SPONSORED BY A "COMMITTEE TO SUPPORT DEMOCRATIC GREECE" URGED TODAY THAT BULGARIANS GIVE "MORAL SUPPORT" TO THE NEWLY PROCLAIMED GREEK COMMUNIST GOVERNMENT AND "MATERIALLY SUPPORT" GREEK REFUGEES.

IN A RESOLUTION, PARTICIPANTS EXPRESSED "SINCERE GLADNESS" AT FORMATION OF THE NEW GOVERNMENT AND CONGRATULATED WHAT THEY CALLED GREEK FIGHTERS WHO CONTINUE THE STRUGGLE FOR FINAL LIBERATION OF THEIR FATHERLAND" FROM "THE FOREIGN INVADER AND THE REACTIONARY MONARCHO-FASCIST GROUP."

SPEAKERS WERE DR.RATCHO ANGELOV, COMMUNIST FORMER MINISTER OF PUBLIC HEALTH, AND ELEVTERIS MAVRIDIS, GREEK JOURNALIST.

DEC 29 1947

MQ915PES

MOSCOW, DEC. 28-(AP)-TRUD, THE TRADE UNION NEWSPAPER, ACCUSED THE UNITED STATES TODAY OF TRYING UNSUCCESSFULLY TO USE THE HAVANA TRADE CONFERENCE TO ESTABLISH WORLD ECONOMIC HEGEMONY.

IN AN ARTICLE HEADED "BLACKMAIL IN HAVANA," TRUD SAID THE U.S. GOVERNMENT WAS THREATENING WITHDRAWAL FROM THE CONFERENCE AND "CORRESPONDING MEASURES" IF ALL OTHER NATIONS REPRESENTED THERE DID NOT CONSENT TO UNRESTRICTED IMPORT OF U.S. GOODS.

DEC 29 1947

MQ/MD803PES

WENINTNT

BY SPENCER MOOSA (350)

PEIPING, MONDAY, DEC.29-(AP)-A HIGH-RANKING GOVERNMENT GENERAL ACCUSED RUSSIA TODAY OF SUPPLYING CHINESE COMMUNISTS IN MANCHURIA WITH ADVISERS AND SOVIET-MADE ARMS AND COMMUNICATIONS EQUIPMENT.

IT WAS THE FIRST TIME ANYONE IN A RESPONSIBLE PUBLIC POSITION HAS OPENLY MADE SUCH A CHARGE.

THE GENERAL, HSU CHI-MING, CHIEF OF STAFF AT THE GOVERNMENT MILITARY HEADQUARTERS HERE, MADE HIS ACCUSATION IN AN INTERVIEW. HE SAID IF RUSSIA SECURED CONTROL OF CHINA THROUGH THE CHINESE COMMUNISTS, THEN BURMA, INDO-CHINA AND THE WHOLE OF EAST ASIA WOULD GO, AND AMERICA WOULD BE LEFT WITH ONLY ONE ALLY IN THIS PART OF THE WORLD--JAPAN.

AMERICANS MIGHT FIND THE COMPLEXITIES OF CHINA'S INTERNAL SITUATION HARD TO UNDERSTAND, HE ADDED, BUT THE FINDAMENTAL ISSUE IS SIMPLE: THE WORLD IS DIVIDED INTO TWO BLOCS, ONE SOVIET AND THE OTHER DEMOCRATIC, AND CHINA'S GOVERNMENT WANTS TO COOPERATE WITH THE DEMOCRACIES.

HSU SAID THAT CHOU EN-LAI, NUMBER TWO LEADER OF THE CHINESE COMMUNISTS, IS PREPARING TO GO TO MOSCOW TO ARRANGE FOR BARTER BETWEEN MANCHURIA AND RUSSIA. MOST OF MANCHURIA NOW IS CONTROLLED BY CHINESE COMMUNISTS.

THE GENERAL REMARKED THAT GOVERNMENT COMMANDERS WOULD GREATLY WELCOME FOREIGN AID, BUT REALIZED THEY CANNOT COU IT

NEVERTHGVV

THE GENERAL REMARKED THAT GOVERNMENT COMMANDERS WOULD GREATLY WELCOME FOREIGN AID, BUT REALIZED THEY CANNOT COUNT ON GETTING IT NEVERTHELESS, HE SAID, THEY STILL HOPE FOR FINAL VICTORY OVER THE REDS.

A172FX

HE ACKNOWLEDGED THE SITUATION IN MANCHURIA IS "VERY TENSE," AND PREDICTED A MAJOR BATTLE FOR MUKDEN WOULD BEGIN IN ABOUT A WEEK IN THE VICINITY OF HSINMIN, 35 MILES TO THE WEST. HE SEEMED CONFIDENT MUKDEN

COULD BE HELD. REINFORCEMENTS MOVING NORTH WERE NOT TO BOLSTER THE MUKDEN GARRISON, HSU EXPLAINED, BUT TO GUARD THE PEIPING-MUKDEN RAILROAD.

HSU SCOFFED AT REPORTS THE COMMUNISTS MIGHT ATTACK PEIPING OR TIENTSIN, NORTH CHINA; COMMUNISTS, HE SAID, KNOW THAT THE GOVERNMENT HAS ENOUGH TROOPS TO DEFEND BOTH CITIES. MORE LIKELY RED OBJECTIVES: P

HAS ENOUGH TROOPS TO DEFEND BOTH CITIES. MORE LIKELY RED OBJECTIVES: PAOTING, RAIL CITY 90 MILES SOUTH OF PEIPING; AND THE RAILROAD FROM PEIPING WEST INTO SUIYUAN.

IN GENERAL, HSU CONCLUDED, "COMMUNISTS THINK THAT WITH RUSSIAN HELP THEY CAN CONQUER CHINA. BUT FOR THIS THEY WOULD HAVE TO HAVE THE SUPPORT OF THE CHINESE PEOPLE--AND THE CHINESE PEOPLE HATE THEM. IN COMMUNIST AREAS THEY (THE PEOPLE) ARE FORCED TO OBEY, BUT THEY ARE ALWAYS READY TO TURN TO THE NATIONALISTS (GOVERNMENT) IF THEY HAVE AN OPPORTUNITY."

DEC 29 1947

WR748PPS

PEIPING,MON6,DEC.29-(AP)-THE OFFICIAL CENTRAL NEWS, WHICH HAS SCORED MANY A PEPER VICTORY FOR GOVERNMENT FORCES IN THE PAST, SAID TODAY THAT MORE THAN 10,000 CHINESE COMMUNISTS WERE KILLED IN THE LAST THREE DAYS ATTACKING A COMMUNICATIONS HUB NORTHWEST OF MUKDEN.

THE DISPATCH MADE NO CLAIM THAT RED FORCES HAD BEEN ROUTED, BUT SAID "NATIONALISTS STILL ARE HOLDING THEIR LINES ON THE OUTSKIRTS OF THE TOWN," CHANGWU. NO OTHER MUKDEN DISPATCHES MENTIONED ANY FIGHTING AT CHANGWU.

DEC 29 1947

PY845PPS NM ASKED

NANKING,DEC.28-(AP)-WAR NEWS FROM MANCHURIA UNDER THE NEW GOVERNMENT CENSORSHIP ON THAT FRONT WAS CONFINED TODAY TO A SINGLE DISPATCH IN THE NEWSPAPER SOCIAL WELFARE, WHICH SAID "RELIEF COLUMNS" ADVANCING SOUTH TOWARD MUKEN FROM CHANGCHUN HAD PASSED KUNGCHULING WITH SCANTY OPPOSITION.

KUNGCHULING IS 140 MILES NORTHEAST OF MUKDEN. THE DISPATCH SAID THE SCARCITY OF COMMUNISTS ON THE ROUTE INDICATED THAT THE COMMUNISTS ALREADY HAD CONCENTRATED ALL THEIR AVAILABLE FORCES IN THE SOUTH IN THEIR CURRENT DRIVE TO ISOLATE MUKDEN.

FROM THE CENTRAL CHINA FRONT, GOVERNMENT REPORTS SAID DEFENSE POSITIONS ALONG THE YANGTZE RIVER WERE BEING STRENGTHENED TO MEET A COLUMN OF LIU PO-CHENG'S COMMUNIST ARMY THAT WAS MOVING SOUTH AND MIGHT TRY TO CROSS BETWEEN HANKOW AND KIUKIANG.

LIU RECENTLY ESCAPED FROM A GOVERNMENT-DEVISED TRAP NORTH OF HANKOW.

DEC 29 1947

JM842PCS

FOLO PEIPING--SOVIET AID (200)

BY JOHN RODERICK

SHANGHAI, MONDAY, DEC.29-(AP)-CHARGES THAT RUSSIA IS HELPING THE CHINESE COMMUNISTS, VOICED OPENLY IN PEIPING TODAY BY GOVERNMENT GEN. HSU CHI-MING, BREAK A LONG OFFICIAL SILENCE ON THIS TOPIC.

FOR MORE THAN TWO YEARS, GOVERNMENT OFFICIALS HAVE REMAINED SILENT WHENEVER ANY ACCUSATION WAS RAISED AGAINST RUSSIA.

GOVERNMENT-CONTROLLED NEWSPAPERS AND OTHER SEMI-OFFICIAL ORGANS FREQUENTLY CARRIED REPORTS--NEVER SUBSTANTIATED--THAT THE RUSSIANS

DEC 29 1947

30.24- 14519

WERE GIVING SUCH ASSISTANCE. BUT GOVERNMENT OFFICIALS NEVER WENT ON RECORD WITH SUCH A CHARGE. IF ANYTHING, THE GOVERNMENT MADE EFFORTS TO AVOID IT.

RECENTLY WHEN A SHANGHAI NEWSPAPER PRINTED A PHOTOGRAPH PURPORTING TO SHOW CAPTURED RUSSIAN ARMS, THE GOVERNMENT INFORMATION OFFICE SAID THE PICTURE WAS NOT ONE OF ITS RELEASES.

AND, IN PEIPING SOME MONTHS AGO, WHEN A GOVERNMENT OFFICER SAID ANONYMOUSLY THAT WAR VESSELS WERE ESCORTING CHINESE COMMUNIST JUNKS, HE REFUSED THROUGH A BARRAGE OF QUESTIONS TO DESCRIBE THEM AS ANYTHING BUT "THOSE OF A CERTAIN NATION."

THUS SOME OBSERVERS HERE BELIEVE TODAY'S OPEN STATEMENT BY A RESPONSIBLE OFFICER OF CHIANG KAI-SHEK'S STAFF MAY BE THE PRELUDE TO A GOVERNMENT PROTEST TO MOSCOW.

WR752PPS NM

DEC 29 1947

B40KX

SHANGHAI, DEC.28-(AP)-THE CHINESE IMPORT-EXPORT BOARD NOTIFIED THE AMERICAN-OWNED SHANGHAI EVENING POST AND THE BRITISH-OWNED NORTH CHINA DAILY NEWS TODAY THAT THEIR NEWSPRINT QUOTAS HAD BEEN RESTORED.

THE BOARD THUS OVERRULED THE SHANGHAI NEWSPAPER GUILD, WHICH HAD CUT THE TWO ENGLISH-LANGUAGE PAPERS' QUOTAS 50 AND 90 PER CENT, RESPECTIVELY.

JM550PCS NM

DEC 29 1947

AS A CONSEQUENCE, THIS SPOKESMAN SAID, PLANS FOR CROSSEXAMINATION WILL BE REVISED.

THE QUESTIONING ORIGINALLY WAS SCHEDULED TO FOLLOW TOJO'S STORY IN CHRONOLOGICAL ORDER. NOW IT IS PLANNED TO HIT FIRST HIS VEILED HINT THAT JAPAN'S "GREATER EAST ASIA CO-PROSPERITY SPHERE," A WARTIME ASPIRATION, SHOULD BE REVIVED.

BLEWETT'S PROGRESS IN READING TOJO'S 245-PAGE AFFIDAVIT--WHILE THE FORMER PREMIER SITS SILENTLY IN THE WITNESS STAND---INDICATED IT WOULD REQUIRE ANOTHER DAY TO COMPLETE.

WR703PPS

DEC 29 1947

NUMEROUS ROOMS OF THE MANSION HAD BEEN FITTED OUT AS JAPANESE AND WESTERN-STYLE DINING HALLS.

TANAKA AND THREE MEMBERS OF HIS STAFF WERE JAILED ON CHARGES OF VIOLATING THE FOOD LAWS BUT THE 24 PATRONS WERE RELEASED PENDING FURTHER INVESTIGATION. POLICE WERE VAGUE ON WHAT THE POSSIBLE PENALTIES MIGHT BE.

DECLARING THE RESTAURANT WAS PATRONIZED BY MANY DIET MEMBERS AND HIGH OFFICIALS, POLICE ESTIMATED THAT TANAKA HAD DONE A 5,000,000-YEN ($100,000) BUSINESS SINCE STARTING LAST JULY.

MH518PPS NM SPT

DEC 29 1947

JERUSALEM, DEC 28-(AP)-A BRITISH ARMY SERGEANT WAS REPORTED BEATEN TO DEATH TODAY BY PRISONERS IN ACRE PRISON, AFTER GUARDS FOILED AN ESCAPE ATTEMPT.

MEANWHILE NEAR JERUSALEM, JEWS FATALLY SHOT FOUR ARABS AND WOUNDED SIX OTHERS, AS JEWISH LEADER HANS BEITH--KILLED FRIDAY BY SNIPERS' BULLETS--WAS TAKEN TO HIS GRAVE IN AN ARMORED HEARSE.

DEC 29 1947

THE RATTLE OF GUNFIRE INTERRUPTED BEITH'S FUNERAL AS SOME 6,000 MOURNERS WAITED TO PARTICIPATE IN THE PROCESSION TO THE BURIAL PLACE ON THE MOUNT OF OLIVES.

POLICE SAID TODAY'S JEWISH RAID BEGAN WHEN A TRUCK ROARED PAST AN ARAB FILLING STATION, ITS OCCUPANTS TOSSING GRENADES AND SPRAYING THE STATION WITH MACHINE GUN FIRE.

INFORMANTS SAID THAT ACRE PRISON NOW HOUSES ONLY ARAB PRISONERS, JEWISH INMATES HAVING BEEN TRANSFERRED TO A PRISON IN JERUSALEM RECENTLY.

MILITARY GUARDS OPENED FIRE ON THE FLEEING PRISONERS, WOUNDING ONE ARAB, OFFICIALS SAID.

ALL BUT ONE OF THE PRISONERS WERE RECAPTURED.

A JEWISH MEDICAL OFFICER WAS SHOT FATALLY NEAR A HOSPITAL AT BEIT SAFAFA, SOUHWEST OF JERUSALEM TODAY. AN ARAB PHYSICIAN, ACCOMPANYING HIM, WAS UNINJURED.

G921AES

DEC 29 1947

THE FIRST CONTINGENT OF LEBANESE VOLUNTEERS FOR THE "PEOPLE'S ARMY OF YARMUK" REACHED BEIRUT FROM THE HILLS NORTH OF THE CAPITAL. THEY WILL GO TO YARMUK TRAINING CENTERS IN SYRIA. IN BAGHDAD TWO REGIMENTS OF VOLUNTEERS FOR AN ARAB ARMY IN PALESTINE RECEIVED THEIR BATTLE DRESS.

DAMASCUS INFORMANTS SAID PRESIDENT SHUKRI BEY KOWATLY ORDERED LEAVES CANCELLED OF ALL GENDARMERIE. SYRIAN ARMY LEAVES WERE CANCELLED TWO WEEKS AGO.

G327PES

DEC 28 1947

JERUSALEM--PALESTINE VIOLENCE (A 42), INSERT AFTER 7TH GRAF BEGINNING "SNEH SAID" AND ENDING "OPPOSITION GROUP."

AN ILLEGAL IMMIGRANT SHIP WITH BETWEEN 700 AND 800 JEWS WAS SIGHTED OFF THE PORT OF HAIFA. HAGANA SOURCES SAID THE SHIP WAS NAMED "29TH OF NOVEMBER" IN HONOR OF THE DAY OF THE U.N. DECISION ON PALESTINE. THE JEWS WILL BE TAKEN TO DETENTION CAMPS ON CYPRUS.

THE HOLY LAND X X X 8TH GRAF

MQ518PES

DEC 28 1947

AP13

BATAVIA, DEC 28-(AP)-THE INDONESIAN REPUBLICAN NEWSPAPER MERDEKA SAID IN A NEW DELHI DISPATCH TODAY THAT MOHANDAS K. GANDHI HAD TOLD NEWSMEN THAT "SUCCESS WAS AT THE DOOR" OF THE REPUBLIC ALTHOUGH "IT DID NOT LOOK BRIGHT AT PRESENT."

"INDIA FOUGHT 30 YEARS WITHOUT SYMPATHY FROM THE OUTSIDE. TAKE EVERY OPPORTUNITY TO ESTABLISH CLOSER RELATIONS WITH OTHER ASIAN PEOPLES," GANDHI WAS QUOTED AS SAYING.

DN731AES

DEC 29 1947

NEWSPRINT (500)

BY ROBERT BUNNELLE

(ADVANCE). . . MONTREAL, DEC. -(AP)-CANADA, ALREADY BY FAR THE WORLD'S LARGEST PRODUCER OF NEWSPRINT WITH AN ESTIMATED RECORD OF MORE THAN 4,396,000 TONS FOR 1947, EXPECTS A"CONTINUED EXPANSION OF CAPACITY" BY HER MILLS IN 1948, ACCORDING TO R.M.FOWLER, PRESIDENT OF THE NEWSPRINT ASSOCIATION OF CANADA.

DEC 29 1947

BASICALLY THE EXPANSION WILL BE ACHIEVED BY MODERNIZATION OF EQUIPMENT FOR IMPROVED OPERATIONAL SPEEDS. PRESENT MANUFACTURERS' ESTIMATES INDICATE THE CAPACITY OF CANADA'S MILLS WILL INCREASE AT AN AVERAGE OF APPROXIMATELY 100,000 TONS A YEAR OVER THE NEXT THREE YEARS TO REACH MORE THAN 4,650,000 TONS IN 1950.

UNITED STATES CONSUMERS, WHO PRESENTLY ARE RECEIVING 82 PER CENT OF THE TOTAL CANADIAN OUTPUT, ARE EXPECTED BY THE NEWSPRINT ASSOCIATION OF CANADA TO GET ABOUT 93 PER CENT OF THE INCREASE.

COMMENTING ON WHAT HE CALLED THE EFFORTS OF CANADIAN NEWSPRINT TO MEET THE NEEDS OF UNITED STATES PUBLISHERS, FOWLER WARNED THAT WHILE THE MILLS ARE EXPECTED TO CONTINUE TO OPERATE AT CAPACITY AND TO EXPAND CAPACITY IN 1948, "IT MUST ALWAYS BE REMEMBERED THAT PRODUCTION OF NEWSPRINT MAY BE ADVERSELY AFFECTED BY BAD WEATHER CONDITIONS, WATER SHORTAGES, LACK OF BOX CARS AND OTHER CAUSES BEYOND THE CONTROL OF THE MILLS."

CANADA'S ESTIMATED NEWSPRINT PRODUCTION OF 4,396,000 TONS FOR 1947 REPRESENTS AN INCREASE OF APPROXIMATELY 1,137,000 TONS, OR 34 PER CENT, WITHIN TWO YEARS. BUT NEWSPRINT MANUFACTURERS ARE QUICK TO POINT OUT THAT THERE IS UNLIKELY TO BE ANY COMPARABLE INCREASE IN THE FUTURE.

THE RATED CAPACITY OF CANADIAN NEWSPRINT MILLS IN 1925 WAS 1,715,000 TONS PER YEAR. BY 1930, IN RESPONSE LARGELY TO DEMANDS FROM AMERICAN CONSUMERS, IT HAD BEEN JUMPED TO 3,600,000. THEN THE DEMAND SLACKED OFF AND IN 1935, WITH NEWSPRINT SELLING AT $40 A TON IN NEW YORK, HALF THE CANADIAN INDUSTRY WAS IN BANKRUPTCY.

THUS THROUGH THE YEARS 1925 TO 1944, THE CANADIAN MILLS AVERAGED 1,016,000 TONS OF IDLE CAPACITY ANNUALLY. IT WAS THE TAKING UP OF THIS SLACK AND PLACING EXISTING MILLS ON A CAPACITY OPERATION BASIS THAT ACCOUNTED FOR THE BIG INCREASE IN PRODUCTION BETWEEN 1945 AND 1947, THE CANADIAN NEWSPRINT ASSOCIATION EXPLAINS.

BY FAR THE MAJORITY OF THE INDUSTRY IS DETERMINED TO FOLLOW A COURSE OF CAREFUL EXPANSION THROUGH IMPROVEMENTS AND MODERNIZATION WITH CONSEQUENT RELATIVELY SMALL INCREASE IN PRODUCTION INSTEAD OF GOING IN FOR ANYTHING LIKE THE DRAMATIC CAPITAL EXPANSIONS OF 1925-1930, LEADERS INDICATE. ACTUALLY, SINCE 1930, ONLY ONE MILL HAS BEEN BUILT IN CANADA.

IN FACT, LEADING CANADIAN NEWSPRINT MANUFACTURERS ARGUE THAT IT IS ONLY BY CAPACITY OPERATION THAT THEY ARE ABLE TO COME OUT ON THE CREDIT SIDE OF THE LEDGER AT THE EXISTING NEWSPRINT PRICE OF $90 DELIVERED IN NEW YORK.

DEC 29 1947

ON THE BASIS OF COST FIGURES REPORTED BY INDIVIDUAL PRODUCERS, THE NEWSPRINT ASSOCIATION OF CANADA CONTENDS THAT PRODUCTION COSTS HAVE FAR OUTSTRIPPED PRICES. USING THE 1935 PRICE OF $40 AS THE INDEX FIGURE OF 100, ASSOCIATION STATISTICIANS COMPUTE THE PRICE OF NEWSPRINT AT THE END OF 1947 HAD RISEN 125 POINTS, WHEREAS THE COST OF WOOD PER TON HAD INCREASED 223 POINTS AND THE COST OF MILL LABOR 160 POINTS PER TON.

30.24- 14521

FOWLER RECENTLY TOLD THE SELECT COMMITTEE ON NEWSPRINT AND PAPER SUPPLY OF THE UNITED STATES HOUSE OF REPRESENTATIVES THAT "IN TERMS OF PRINCIPAL COSTS, WOOD AND MILL LABOR, THE NET POSITION OF PRODUCERS (OF NEWSPRINT SELLING AT $90 PER TON) TODAY IS PLAINLY WORSE THAN IN 1939 WHEN NEWSPRINT SOLD FOR $50 PER TON."

DEC 29 1947

ALREADY, LEADERS IN THE NEWSPRINT INDUSTRY IN CANADA HAVE SERVED NOTICE THAT THE PRICE WILL GO UP IN 1948. THE FIRST TO DO SO WAS THE ABITIBI SALES COMPANY, LTD., WHICH ADVISED CUSTOMERS DEC.4 THAT THE CONTRACT PRICE FOR STANDARD NEWSPRINT WOULD BE INCREASED JAN.1, 1948 BY $6 PER TON.

THE ADVICE ADDED THAT THE PRICE OF $96 PER TON IN NEW YORK WOULD REMAIN "FIRM FOR THE FIRST SIX MONTHS OF 1948." THE INTERNATIONAL PAPER SALES CO., INC., FOLLOWED WITH A SIMILAR ANNOUNCEMENT OF $96 FOR THE FIRST HALF OF 1948 ON DEC.8, 1947. CONSOLIDATED PAPER SALES LTD., HOWEVER, HAS ADVISED ITS CUSTOMERS THAT WHILE CONSOLIDATE WOULD MAINTAIN THE 1947 PRICE OF $90 THROUGH FEBRUARY, 1948, A "PRICE ADVANCE OF PERHAPS SUBSTANTIAL AMOUNT" MIGHT BE EXPECTED MARCH 1, 1948.

THERE HAVE BEEN WIDESPREAD PREDICTIONS IN INDUSTRIAL AND FINANCIAL CIRCLES OF CANADA THAT THE PRICE OF NEWSPRINT MIGHT SOON GO AS HIGH AS $95 OR $100 PER TON IF COSTS OF PRODUCTION CONTINUED TO MOUNT.

NEWSPRINT WAS SELLING AT $72.25 IN 1946. THEN IT WENT TO $84.00 AND IN MARCH, 1947, IT WAS INCREASED AGAIN TO $90.00 PER TON AT NEW YORK, UNDER CONTRACT.

CANADA'S NEWSPRINT INDUSTRY IS ONE OF ITS MOST IMPORTANT, ESPECIALLY FROM THE STANDPOINT OF EARNING AMERICAN DOLLARS OF WHICH THE COUNTRY NOW IS SERIOUSLY SHORT. CANADA'S PULP AND PAPER EXPORTS ALONE WERE APPROXIMATELY $530 MILLION IN 1947. NINETEEN COMPANIES IN CANADA PRODUCE NEWSPRINT, OPERATING 35 MILLS RANGING IN CAPACITY FROM 10,000 TO 250,000 TONS YEARLY. APPROXIMATELY 174,000 SQUARE MILES OF CANADA'S 430,000 PRESENTLY ACCESSIBLE SQUARE MILES OF FOREST, ARE LEASED FOR INDUSTRIAL USE, PRINCIPALLY FOR PULP AND PAPER.

(END ADVANCE FOR USE IN YEAR-END EDITIONS--MOVED DEC.26)

QQ149PES

OTTAWA, DEC. 28-(AP)-NEARLY THE ENTIRE FIELD OF NATURAL PROCESSES AND THE FORCES THAT HAVE GONE INTO THE DEVELOPMENT OF OUR PLANET WILL COME IN FOR STUDY AND INTERPRETATION BY SOME 600 UNITED STATES AND CANADIAN RESEARCH GEOLOGISTS MEETING HERE TOMORROW.

IT WILL BE THE FIRST JOINT ANNUAL MEETING OF THE GEOLOGICAL SOCIETY OF AMERICA AND THE GEOLOGICAL ASSOCIATION OF CANADA AND WILL COVER ALMOST EVERY GEOLOGICAL FIELD FROM THE EARTH'S MINERALS TO THE ATOMIC BOMB.

AT LEAST TWO OF THOSE ATTENDING ARE MEN WHO WERE PRESENT AT THE ATOMIC BOMB TEST AT BIKINI ATOLL LAST YEAR. THEY MAY PRESENT PAPERS ON THE SUBJECT.

DEC 29 1947

NEW METHODS OF GEOCHEMICAL PROSPECTING FOR SCARCE LEAD, ZINC AND COPPER ORES WILL BE DISCUSSED, ALONG WITH ACCOUNTS OF THE GEOLOGY AND IMMEDIATE COMMERCIAL POTENTIALITIES OF IRON ORE DEPOSITS IN LABRADOR.

THE CONVENTION WILL LAST ALL WEEK.

BB1004PES

WASHINGTON, DEC. 28-(AP)-NEARLY TWO SCORE ITALIAN AND GREEK GIRLS, VANGUARD OF AN AERIAL INVASION OF GI WAR BRIDES AND FIANCEES, FLEW INTO WASHINGTON TODAY ABOARD TRANS WORLD AIRLINE PLANES.

TWA OFFICIALS SAID OTHER LARGE GRO

DEC 29 1947

INTO WASHINGTON TODAY ABOARD TRANS WORLD AIRLINE PLANES.

TWA OFFICIALS SAID OTHER LARGE GROUPS ARE EXPECTED BEFORE MIDNIGHT WEDNESDAY WHEN THE LAW PROVIDING FREE ENTRY FOR WAR BRIDES EXPIRES.

PLANES FROM ATHENS AND ROME WERE REROUTED TO NATIONAL AIRPORT HERE BECAUSE OF THE RECORD SNOWSTORM WHICH BURIED NEW YORK'S LA GUARDIA FIELD.

THE YOUNGEST IN THE GROUP WHICH REACHED HERE TODAY IS LUCIANA PARRI, WHO FLEW FROM ITALY TO MARRY FIRST LT.RALPH BASSETT, JR., OF 64 WEST 84TH STREET, NEW YORK CITY. SHE IS ONLY 14. THE AGES OF THOSE IN TODAY'S GROUP AVERAGE 23.

EXTRA AIRLINE AGENTS AND INTERPRETERS WERE CALLED IN TO HELP THE YOUNG WOMEN THROUGH IMMIGRATION AND CUSTOMS AND AID WITH THEIR COMMUNICATIONS WITH IMPATIENT BRIDEGROOMS. ONLY A FEW OF THE GIRLS COULD SPEAK ENGLISH.

AS THEY WERE CLEARED THROUGH THE OFFICIAL BARRIERS THE GIRLS WERE CHAPERONED IN SMALL GROUPS TO NEW YORK. FROM THERE THEY PLANNED TO TAKE VARIOUS ROUTES TO THEIR FUTURE HOMES IN ALL PARTS OF THE COUNTRY.

GW728PES

DEC 29 1947

WITH WASHINGTON WAR BRIDES

NEW YORK, DEC.28-(AP)-1ST LT. RALPH H. BASSETT, JR., 24, AND HIS 14-YEAR-OLD ITALIAN WAR BRIDE-TO-BE WERE REUNITED TONIGHT AND ANNOUNCED THEY PLANNED TO BE MARRIED JAN.1 OR 2.

LUCIANA PARRI, TIRED AFTER A THREE-DAY AIRPLANE TRIP WHICH ENDED EARLIER TODAY IN WASHINGTON, APPEARED SHY OF REPORTERS WHEN SHE MET LT. BASSETT AT AN AIRLINES OFFICE. BUT SHE AGREED TO A KISS FOR THE BENEFIT OF PHOTOGRAPHERS BEFORE THE TWO LEFT FOR THE APARTMENT OF LT. BASSETT'S MOTHER.

DEC 29 1947

LT. BASSETT, WHO LEFT LEGHORN, ITALY, DEC.1 TO COME HOME ON LEAVE, SAID MISS PARRI TOLD HIM SHE WAS 17 WHEN THEY FIRST MET AT AN OFFICERS' DANCE IN FEBRUARY, 1946, BUT LATER GAVE HER TRUE AGE. HE SAID HER FATHER WAS AN ITALIAN SOLDIER KILLED IN THE WAR. SHE IS A 5-FEET 2-INCH BRUNETTE. AN OLDER SISTER PLANS TO MARRY AN AMERICAN OFFICER NOW IN GERMANY, HE SAID.

MISS PARRI WAS THE YOUNGEST OF 22 ITALIAN AND GREEK WAR BRIDES AND FIANCEES WHO ARRIVED BY PLANE IN WASHINGTON TODAY.

AFTER THEIR WEDDING THE COUPLE PLANS A HONEYMOON TRIP TO CALIFORNIA. LT. BASSETT EXPECTS TO BE ASSIGNED TO THE ABERDEEN PROVING GROUNDS IN MARYLAND WHEN HIS LEAVE EXPIRES JAN.16. HIS FATHER, AN ARMY COLONEL, IS STATIONED AT FORT SAM HOUSTON, SAN ANTONIO, TEXAS.

MK1250AES

NEW YORK, DEC. 28-(AP)-PLANS TO RESTORE THE WAR-DESTROYED UNIVERSITY OF NYMEGEN IN HOLLAND AS A MEMORIAL TO THE DEAD OF THE 82ND AIRBORNE DIVISION WHICH LIBERATED THE COUNTRY WERE ANNOUNCED TODAY.

HUGH GIBSON, CHAIRMAN OF THE MEMORIAL COMMITTEE, SAID A NATION-WIDE CAMPAIGN WOULD BE STARTED TO RAISE $2,000,000, WHICH IS ONE-THIRD OF THE AMOUNT REQUIRED, THE DUTCH PEOPLE FURNISHING THE OTHER TWO-THIRDS.

DEC 29 1947

MEMBERS OF THE COMMITTEE INCLUDE FORMER PRESIDENT HERBERT HOOVER, FORMER POSTMASTER GENERAL JAMES A.FARLEY, MRS.THEODORE ROOSEVELT, JR., MRS.CLAIRE BOOTHE LUCK, DR.HAROLD E.DODDS, PRESIDENT OF PRINCETON UNIVERSITY, AND PHILIP MURRAY, PRESIDENT OF THE CONGRESS OF INDUSTRIAL ORGANIZATIONS.

MQ953PES

-END-

DEC. 28, 1947

30.24- 14523

GUERRILLAS RENEW SIEGE OF KONITSA

Strike Back In Outskirts After Greek Army Breaks Into City

DEC 30 1947

Athens, Dec. 29 (AP)—Fresh guerrilla battalions fought their way into the outskirts of Konitsa tonight and re-established their siege, Government sources said, after Greek Army troops had broken open the rebel lines just long enough to rush a brigade of reinforcements into the battered city.

That brigade and the tired, outnumbered Konitsa garrison were fighting to beat off desperate guerrilla efforts to seize the city for a capital of the newly proclaimed rebel Greek Communist state.

Reinforced From Albania

The Communist-led guerrillas reportedly were receiving a steady stream of reinforcements from near-by Albania.

A Greek general staff spokesman said the guerrillas now numbered more than 29,000 men, of whom some 15,000 were deployed in northwestern Greece. His figure on the total rebel strength was 11,000 higher than previous estimates.

In reforming their siege lines the rebels again blocked the Ioannina-Konitsa highway 5 miles north of Kalpaki. This area was the scene of bitter hand-to-hand fighting when the Greek army brigade cut its way through.

Hurled Back From Hill

Then the critical sector shifted to the front immediately around Konitsa. Reckless rebel forces stormed Prophet Elias hill just outside the city, but were hurled back, leaving 38 bodies strewn on the rocky snow-covered slopes. This attack was the latest of a series of guerrilla assaults which began Christmas Day.

Guerrilla units seized houses in the southern edge of Konitsa, officials here said. Scores of rebel troops reportedly were buried in the debris of these structures by the fire of the garrison's artillery. The rebels, meanwhile, were concentrating their artillery strength against Konitsa alone. Military observers said the rebels were suffering heavy losses and expending tremendous amounts of ammunition—an apparent indication that their chieftain, Gen. Markos Vifiades, has ordered his men to take the city at any cost.

Confident Of Holding City

A Greek army spokesman expressed confidence that Konitsa, 5 miles from the Albanian border, would not fall into the hands of the guerrillas.

His words were echoed by George Stratos, War Minister, who said the morale of the Athens Government forces was "higher if possible than that of 1940" when the Greeks repelled the Italian invasion from Albania.

As an indication of the determination of the Greek army units, the War Minister pointed out that the Konitsa garrison is not only fighting defensively but is also making counterattacks.

He declared the Athens Government now is "in the pleasant position to tell the bogus (Communist) government its efforts to find a locality on Greek territory to establish itself" are in vain.

Although the Greek army commanders had only small forces at their disposal when the guerrilla drive in Epirus began, Stratos said, they accurately appraised the military situation and stopped the rebels. He declared the Athens troops were being reinforced.

Rocket-firing Spitfires of the Greek air force also have been sent into battle.

The rebel highway block above Kalpaki hinges on the grip the guerrillas have maintained on the Grambala and Ano Ravenia heights. From those positions the insurgents can keep the road under constant fire. The guerrillas were described as maintaining strong points on the high ground of Elaphrotopos, Vassilikon and Kalyvia.

Bridge Drive Thwarted

At the other end of the triangular battlefield General Vefiades's men thwarted attempts of the Athens Government forces to seize the Bourozani bridge which crosses the Apos River. This bridge, 11 miles west of Konitsa, is the key to the city's western approaches.

The office of the American aid to Greece organization said no United States military advisers are to be attached to the Athens Government troops now. It was learned that two officers from the United States military attaché's office were in the vicinity of Ioannina and probably were observing the campaign.

An observer team of the United Nations Special Commission on the Balkans arrived in Ioannina by plane to ascertain if there was any transgression of frontiers.

Truck Convoy Reported

Press dispatches said rebel reinforcements were being sent to positions along the Ioannina-Konitsa highway and to the lines near Kourtinitsa and Eleftheron northeast of Konitsa. A column of trucks carrying guerrillas was sighted moving south from Leskovic in Albanian territory, one ancient said.

The Greek army's offensive to reopen road communications was being conducted in a triangle with an area of approximately 50 square miles and extending from Konitsa southwest to Kalpaki and then north to the Bourozani bridge.

Clearing weather gave Greek airmen their first chance to shoot up guerrilla road blocks and concentrations of artillery hammering Konitsa. The air attacks silenced two of the rebels' 66-millimeter guns.

Promised Outside Aid

Prisoners said the Communist leaders of the guerrilla force were attempting to bolster the morale of their men by telling them that air support and more artillery were coming to their lines from outside Greece.

Government sources estimated the guerrillas had 34 battalions averaging 450 men each in the Epirus battle zone. Vifiades was said to be personally directing seven battalions in the Konitsa area. Guerrilla casualties were put at 210. Front reports described the losses of the army as "considerable" but did not give figures.

Half the guerrilla force was believed deployed along the Yanina-Konitsa highway, with particularly heavy groups in the area of Kalibaki, twenty-three miles north of Yanina.

In going to the relief of the Konitsa garrison Army troops commanded by Major General Assimakis grouped in Kalibaki and then drove northward.

Particularly heavy fighting erupted eight miles above Kalibaki as the Government column clashed with guerrilla positions at Yeriplatanos and Mavrovuni. Press dispatches described the action there as being at close quarters and of "unprecedented" ferocity.

Front advices indicated that the Army relief column had smashed through the guerrilla lines on the Yanina-Konitsa highway at a point about nine miles southwest of Konitsa.

In the Gardiki area, twenty-five miles southwest of Kalibaki, fifty-eight guerrillas were killed in fierce fighting. The operation there apparently had no direct connection with the main battle in the Konitsa area.

The Greek General Staff spokesman, Lieut. Col. Constantine Vlachos, said at a news conference that the Athens Government had intercepted a code message to General Markos from a "foreign" source that advised the people to begin a campaign of general sabotage. The message, he added, was for broadcast on the rebel radio New Year's Day since those who wrote it thought apparently that Konitsa would be in Communist hands by that time.

Colonel Vlachos said he did not know whether the purported message had come from the Communist Information Bureau with headquarters in Belgrade.

Greeks Penetrate Rebel Lines To Aid Konitsa

DEC 30 1947

Athens, Dec. 29 (AP)—Government sources announced today that a brigade of reinforcing Greek troops had fought their way through guerrilla siege lines and entered Konitsa, near the Albanian frontier.

The relief column was believed to be a part of the forces which the Government announced yesterday had been hurled into a new offensive to smash the guerrilla drive on Konitsa.

The guerrillas' goal apparently was to seize Konitsa as the capital of the new independent Communist "Government" recently proclaimed by their leader, Gen. Markos Vafiades.

Pierce Lines Astride Road

Reports from the front indicated that the relief column had smashed through guerrilla lines astride the Konitsa-Kalpaki road at a point about 9 miles southwest of Konitsa and had moved up the highway to the beleaguered city.

About 44,000 refugees were reported to have entered Konitsa, whose garrison was badly outnumbered by the besiegers.

Government forces attempting to smash the drive on Konitsa were supported by rocket-firing Spitfire fighters of the Greek air force based at Ioannina, about 25 miles to the south.

Big Guns Are Targets

Their targets included 66-millimeter guns with which the guerrillas have been bombarding the city, and two of the guns were reported knocked out.

Press reports from the front said that the guerrillas had offered resistance and acknowledged that Government losses had been "considerable."

Government sources estimated that the guerrillas had 23 battalions, totaling about 4,000 men, plus many smaller bands, in the battle area.

Battle In Rugged Terrain

The number of Government troops was not disclosed but the forces were said to include reinforcements and heavy arms rushed from western Macedonia.

The battle area is rugged mountain terrain, and operations were rendered more difficult by bitter weather.

The new Government offensive coincided with promulgation of a Government decree outlawing the Communist party and its sympathizers and providing heavy penalties for violators.

Various Groups Outlawed

The new anti-Communist decree was issued by the Co-Ordinating Council, which is empowered to enact legislation when Parliament is not in session, and became effective immediately upon publication in the Government gazette.

The law, which was drafted by the Ministry of Justice, outlawed not only the Communist party itself but also the Left-wing EAM coalition and all those sympathizing with such organizations. Military courts were empowered to try offenders and to impose sentences ranging from twenty years to death.

The measure, patterned after an anti-Communist law enacted in 1929 but not recently enforced, is aimed at all those who seek to overthrow the Government by violence, who favor detachment of any part of Greece or who are in sympathy with such aims.

Civil service employés and others in the military and security branches who are not guilty of specific provisions of the new law but who sympathize or support Communist principles, or criticize national institutions, are liable to dismissal and punishment.

Authors, printers or distributors of pamphlets or printed matter of any kind supporting communism are liable to prosecution. Left-wing public gatherings are banned.

Press reports from Ioannina said the Government forces moving from Kalpaki to Vourazani are engaged in bitter fighting with guerrillas.

Guerrillas holding Elaphrotopos, Vassilikon and Kalyvia — heights which dominate the highway—are being continually reinforced from Albania, the dispatches said, and are trying to prevent the advance of National forces. They have also moved to positions near Kourtinitsa and Eleftheron, northeast of Konitza.

Greek Guerrillas Held World Peril

London, Dec. 29 (AP)—The British Foreign Office declared today that recogntiion by any nation of Gen. Markos Vafiades's newly announced guerrilla regime in Greece would be regarded as causing a "grave deterioration in the world situation."

A Foreign Office spokesman volunteered the observation at his regular daily news conference. He would not indicate what action Britain might take if recognition should be accorded.

The governments of Greece's northern neighbors — Yugoslavia, Albania and Bulgaria — already have been charged by a United Nations investigating committee with aiding the Communist-led guerrillas.

Larger Force Doubted

Asked whether Britain intends to increase the British force in Greece, now less than 5,000 men, the spokesman said he knew of no plans in that direction.

Another authoritative source said British-American discussions of the Greek developments are taking place on an "urgent basis" in Athens and between London and Washington.

2 Italy Officials On Crime List Of U.N. Unit

DEC 30 1947

London, Dec. 29 (AP)—The United Nations War Crimes Commission confirmed today that its war-crimes list contained the names of Tadeo Orlando and A. Marazza—Italians whose surrender for trial has been demanded by Yugoslavia.

Belgrade reports identified Orlando as Secretary-General of the present Italian War Ministry and Achille Marazza as Under Secretary.

On the war-crimes commission list, Tadeo Orlando is charged with "mass murder," torture of civilians, and systematic terrorism in 1941-43 while serving as general of a division operating in Slovenia and Croatia.

A. Marazza is charged with "mass murder" and other war crimes while serving as an army major in Slovenia during the same period.

Charged By Slavs

Yugoslavia announced Friday that she had demanded custody of the two in a message to Rome December 18 and that Italy had not replied. The charges in the commission against both men were filed by Yugoslavia.

A commission explained that such charges were reviewed by a committee to determine whether a *prima facie* case exists.

The committee considers only evidence produced by the accusing country, in much the same way that a grand jury in the United States hears a case before bringing an indictment.

In the case of the two Italians, the committee which reviewed the accusations and forwarded their names to the commission itself for recording consisted or representatives of the United States, Britain, Czechoslovakia and Belgium.

Outside Jurisdiction

The spokesman explained that the question of surrendering those accused was outside the jurisdiction of the commission itself and depended upon the country which had custody over them.

In Rome, Orlando has stood pat on a statement made in his behalf three weeks ago when he came under fire from Italian Communists. That statement reviewed his record as commander of the Grenadiers' Division during the war and, after the Italian armistice, as Minsiter of War charged with reorganization of the Italian Army to fight alongside the Allies.

Britain To Send Tin To Russia Under Pact

DEC 30 1947

London, Dec. 29 (AP)—A Board of Trade spokesman said today that Britain will start deliveries of tin to Russia under the new trade pact as soon as details have been worked out with Russian buying agencies in the United Kingdom.

The Moscow radio said earlier that Russia will send Britain 750,000 tons of coarse grain instead of the 500,000 tons of animal foodstuffs previously reported, under terms of the pact signed Saturday in Moscow. The broadcast quoted a Tass dispatch as saying Russia had guaranteed to deliver the grain between February and September.

Talks To Begin Soon

The British spokesman said he did not know whether the tin shipments would be from stock piles in Britain or from Malaya, which produces the world's highest grade ore. The announcement said the talks on the shipments will begin in the near future.

Tass said that the British Government had "agreed to assist in placing orders in Britain by Soviet import organizations for equipment for mechanization of the (Soviet) timber industry, for plywood factories and saw mills, as well as for electrical and other equipment."

Narrow-Gauge Rails

Tass declared that Britain had agreed "to deliver to the Soviet Union in the near future a first consignment of rails for narrow-gauge railways and to render assistance through appropriate trade channels in the purchase by Soviet economic organizations of wool, rubber, aluminum, cocoa beans, coffee and other goods."

"As regards deliveries of tin to the Soviet Union, the two governments agreed to discuss this matter at an early date," Tass said.

Modification Of Terms

The agency stated that Britain "accepted the proposals of the Soviet Government in regard to modification of the terms" of a wartime civil supplies agreement, including a reduction of the interest rate on the credit.

Last August, after previous trade talks had broken down, the U.S.S.R. failed to pay Britain approximately half of a $16,000,000 installment on the civil credit agreement.

The dispatch said the pact contained an agreement to begin new, longer range trade talks by next May.

Wilson Lauds Pact

DEC 30 1947

London, Dec. 29 (AP)—J. Harold Wilson, president of the Board of Trade, said tonight he hoped the Russian-British trade agreement signed in Moscow Saturday would be one of "a long series of some 20 or 30 trade pacts" between Great Britain and other lands.

Wilson said Brtiain was prepared to make agreements "with all countries which have something for sale that we need and who are prepared to take our goods in return."

He called the understanding with the Soviet Union "particularly important, not only because of the large quantities of goods covered, but because it marks the resumption of commerce with Russia after long interference due to the war."

He described the Russian and British economies as "almost perfectly complementary."

Deliveries of Russian grain to Britain will begin "almost at once," Wilson said. The Soviet Union is to deliver 750,000 tons of coarse feed grains.

A Board of Trade spokesman said earlier the two countries would begin making arrangements soon for shipment of British tin to Russia.

Besides tin, Britain is to help supply the Soviet Union with aluminum, wool, rubber, cocoa, coffee, lumbering and electrical equipment and other goods.

The pact will run for five years. Negotiations on further exchanges are to begin by next May.

Malishev Is Relieved Of Engineering Post

London, *Tuesday*, Dec. 29 (AP)—The Moscow radio said early today Viacheslav A. Malishev, recently named a deputy chairman of the Soviet Council of Ministers (Cabinet), had been relieved of his duties as Minister of Transport Engineering.

The presidium of the Supreme Soviet (Parliament) has named Ivan N. Nosenko to succeed him in the latter post, the broadcast added.

SOVIET TO RELEASE SOME REPARATIONS

French Say Goods Will Be Sent From Eastern Germany

Paris, Dec. 29 (AP)—The French Foreign Ministry said today Soviet occupation authorities in Germany had made available for the first time almost 60,000 tons of wheat, wood and motor fuel in reparations from eastern Germany.

The reparations were allotted to ten countries at the fourteenth session of the Assembly of the Inter-Allied Reparations Agency, the announcement said. The countries were the United States, Britain, France, Belgium, Holland, Greece, Czechoslovakia, Yugoslavia, Egypt and India.

DEC 30 1947

Reparations Hailed By U.S.

A Foreign Ministry official said the reparations represented the first time the Soviet Union had carried out her part of the Potsdam agreement on exchanges of reparations from western and eastern Germany.

The agreement provided that Russia was to receive, on behalf of herself and Poland, 25 per cent of the industrial equipment removed as reparations from western Germany, and return 60 per cent of the value of this in products from eastern Germany.

The United States has halted reparations deliveries of dismantled German factories to the Soviet Union as reparations on the grounds the Russians have not lived up to all terms of the Potsdam pact in regard to the economic unification of Germany.

To Review Policies

Britain and the United States have agreed to review their entire occupation policies under the pact.

A British Foreign Office spokesman in London declined comment on the French announcement, but said the British knew such a step was "in the offing." He said he had no official details.

The French announcement did not say whether the Soviet Union had actually delivered the products, which included 10,000 tons of wheat, 3,000 tons of gasoline, 5,000 tons of Diesel oil, and lumber.

U.S. To Get 1,709 Tons Of Wheat

The French will receive 4,104 tons of wheat, Britain and the United States 1,709 tons each, Czechoslovakia 770, Belgium 694, India 513 and Holland 501.

Of the gasoline and Diesel oil a total of 4,531 tons will go to the United tSates, 2,232 to Britain and 1,227 to Yugoslavia. The wood will be divided among Egypt, Greece, Britain and Holland.

There was some indication the French announcement was premature. The Foreign Affairs Ministry issued a communiqué canceling the original announcement an hour after it was made, but issued a third bulletin twenty minutes later saying the original statement could be used as issued.

Russians Deliver East Reich Goods

Paris, Dec. 29 (AP)—Almost 60,000 tons of wheat, wood and motor fuel in reparations from Eastern Germany have been made available for the first time by Soviet occupation authorities and were allotted to ten countries today, the French Foreign Ministry announced.

The announcement said the allotments were made at the fourteenth session of the Assembly of the Interallied Reparations Agency.

Beneficiaries will be the United States, Britain, France, Belgium, Holland, Greece, Czechoslovakia, Yugoslavia, Egypt and India.

First Russian Return

The reparations represented the first time Russia had carried out its part of the Potsdam Agreement on exchanges of reparations from Western and Eastern Germany, an official said.

DEC 30 1947

The agreement was that Russia was to receive, on behalf of itself and Poland, 25 per cent of the industrial equipment removed as reparations from western Germany, and would return 60 per cent of the value of this in products from eastern Germany.

Earlier this year reparations deliveries to Russia from the American zone of Germany were ordered stopped on the ground Russia had not carried out its part of the bargain.

Russ Reparations Move Seen As 'Installment'

DEC 30 1947

Washington, Dec. 29 (AP)—Government officials said today they regarded the Soviet release of 60,000 tons of raw materials and fuel from eastern Germany as a "first installment" with additional allotments to follow.

The United States share undoubtedly will be used in western Germany by American occupation authorities, thus lessening the burden on the American taxpayer for similar items which would have to be imported from the United States.

Communists Lose French Gas Ration

DEC 30 1947

Paris, Dec. 29 (AP)—Jules Moch, Interior Minister, a recipient of repeated French Communist attacks, told the National Assembly today he had deprived the Communist party of its gasoline ration "because the republic has the right to defend itself."

An official of Moch's ministry said the eliminated ration was for 1,500 gallons allotted to Communist deputies every month. Each political party in France receives a monthly ration from the ministry in accordance with its strength in the Assembly.

Moch aroused Communist ire when, as head of the police forces, he acted to maintain order during the recent nation-wide strike movement.

His statement concerning the gasoline ration came during a fiery exchange with Fernand Grenier, Communist deputy and former Air Minister.

During a fiery exchange with a Communist Deputy the Minister said:

"I suppressed the gasoline of the Communist party because the republic has the right to defend itself and I will never agree to giving men who revolted against the law the means for further action. That is clear."

Amid shouts of protest from the Communist benches, the Minister added: "Your men stole enough gasoline from the factories they occupied during the strikes."

30.24- 14525

DEC 30 1947

French Reds Get No Gas As 'Defense' Move

Paris, Dec. 29 (AP)—Interior Minister Jules Moch told the National Assembly today he had refused gasoline rations to the Communist party "because the republic has a right to defend itself."

All French political parties have been receiving special rations of motor fuel. Communist Deputy Fernand Grenier asked why the Communists were crossed off the list.

"Your men stole enough gasoline from the factories they occupied during the strikes," Moch said.

7,000 ITALIANS CHEER SHIP

DEC 30

First Load Of 'Friendship Train' Food Reaches Naples

Naples, Italy, Dec. 29 (AP)—Seven thousand persons, including 3,000 orphans who waved paper Italian and American flags, attended ceremonies today marking delivery of the first cargo of "Friendship Train" food for distribution in Italy.

James C. Dunn, United States Ambassador, said the gift of food came "from the hearts of my fellow citizens in the United States," and emphasized it would be distributed by Italian and American welfare agencies on the basis of need "without regard to political creed or religious faith."

He said that "in sending you this food, the American people are clearly telling you that they are confident that the Italian patience and will to labor will make Italy once again the fruitful and productive land it has been recognized to be for 2,000 years."

"We Need These Gifts"

Vice Premier Randolfo Pacciardi, in thanking the American people in the name of the Italian Government, said:

"I do not feel ashamed to say to the United States Ambassador how much we need these gifts. I am not ashamed to say this because the Ambassador knows this is not a nation of beggars, but one which has done all it could to lift itself."

The first shipload of food for Italy, 1,251 tons, arrived in Naples yesterday aboard the American steamship Exiria. Flag-draped railroad boxcars were being loaded with the food, and the first train will leave Naples tomorrow with stops at Rome, Florence, Bologna, Milan, Udine and Gorizia.

Trucks were also being loaded for distribution in the Naples area.

3 NAVY FLIERS KILLED IN CRASH OF HELICOPTER

DEC 30 1947

NAPLES, Italy, Dec. 29—(AP) Three U. S. Navy men were killed today when their helicopter lost its rotor while flying over the docks of Naples and plunged into a pile of scrap iron.

The helicopter fell from a height of approximately 3,000 feet shortly after it had taken off from its mother ship, the carrier Midway.

Two of the men were listed as naval officers Robert Lamm and Jack Jeter. Their addresses and the name of the third victim were not available. An investigation officer said the U. S. navy would release no further information about the accident pending the outcome of an inquiry into the cause. Wreckage of the craft was taken aboard the Midway for study.

(Mr. and Mrs. Mike W. Lamm of Moorhead, Minn., said late today they had been notified by the navy department that their son, Lt. James W. Lamm, 30, was killed in the crash.

(The public relations office of the helicopter squadron at the Lakehurst, N. J., naval air station said naval dispatches listed the victims as Lt. James W. Lamm of Lakehurst; Lt. (jg) Jack Jeter, no address given, and Glenn Paul Butler, aviation machinist's mate 2d class, of Cassville, N. J.)

'Copter Loses Blade, 3 Navy Airmen Killed

DEC 30 1947

Naples, Italy, Dec. 29 (AP)—Three United States Navy men were killed when a helicopter from the aircraft carrier Midway lost its rotor and fell into a scrap-iron pile in the port of Naples today.

Two were listed as Naval Officers Robert Lamm and Jack Jeter. Their addresses and the name of the third victim were not available.

Witnesses said the helicopter took off from the carrier, anchored in Naples harbor, a few minutes before the crash. The accident occurred a few hundred yards from the "Friendship Train" foodship Exiria.

Wreckage Checked

The rotor fell in several pieces from a considerable height, witnesses said. Then the ship crashed. Wreckage was taken aboard the Midway for investigation.

The helicopter victim whose name was withheld survived his injuries for a few hours, but died while being taken across the bay to the Midway.

United States Navy officers said no further information would be issued about the crash pending an inquiry into the cause.

3 Navy Men Killed In Naples Air Crash

DEC 30 1947

Washington, Dec. 29 (AP)—The Navy announced tonight that three men were killed today when a naval helicopter from the American aircraft carrier Midway, anchored at Naples, Italy, lost a rotor blade and crashed.

The men were identified as Lieut. James Lamm, whose widow lives at Lakehurst, N.J., Lieut. (j.g.) Jack Jeter, son of Mr. and Mrs. Oscar M. Jeter, Kilgore, Texas, and Glen P. Buter, aviation machinist's mate 2/c, husband of Helen N. Buter, Cassville, N.J., and son of Mr. and Mrs. Henry Buter, Dunlap, Iowa.

Jeter and Buter were listed by the Navy as passengers on the helicopter, which dropped the rotor blade over the Naples dock area, exploded and crashed near an inclosure.

ANNAM'S EX-EMPEROR ARRIVES IN ENGLAND

DEC 30 1947

LONDON, Dec. 29 (AP)—Bao Dai, exiled former Emperor of Annam, arrived in England today from Hong Kong aboard a British plane on a mission apparently aimed at settling a dispute with the French over the future of Indo-China.

He is expected to undergo eye treatment in London, then move on to Paris and later to the United States. There have been reports from Hong Kong that Bao Dai, now leader of the Viet Nam Republican moderates, may seek an American loan.

Saigon dispatches to Paris newspapers quoted "well-informed sources" as saying that a three-point offer had been transmitted to Bao Dai by the French.

The points were described as offering the Viet Namese a "democratic regime," acceding to Viet Nam's demand for inclusion of Cochin-China in the Republic's territory, and guaranteeing immunity to the Viet Nam fighting forces. Viet Nam would remain part of the "French Union."

There was no indication that the French had given up their demands, previously turned down by the Viet Nam Government, for disarming the Viet Namese army and controlling Viet Namese foreign trade, customs, police and foreign relations.

Viet Namese headquarters in Paris expressed doubt that the French offer, if correctly described, would be accepted by the Viet Nam Government of President Ho Chi Minh.

'Red Dean' Defends Views On Soviet Union

DEC 30 1947

London, Dec. 29 (AP)—Dr. Hewlett Johnson, so-called "Red Dean" of Canterbury, who recently was rebuked by his ecclesiastical superior for his Leftist views, defended his beliefs yesterday in a lengthy letter to the *Times* of London.

Declaring he had the right and responsibility as a Christian spokesman to express his socialist views, Johnson reiterated his belief the socialist economy "in the Soviet Union is more scientific and Christian than our capitalism."

"There was little expressed complaint of my opinion in ecclesiastical quarters," Johnson declared, "when the U.S.S.R. was . . . in Mr. Churchill's graphic phrase, 'tearing the guts out of the German war machine. . . ."

Jakob Kaiser Wins Approval

BERLIN, Dec. 29 (AP)—The Christian Democratic Union and the Christian Socialist Union of the United States and British zones gave a vote of confidence tonight to Jakob Kaiser and Ernst Lemmer, the Christian Democrat leaders whom the Russians ordered replaced in the Soviet-occupied area.

Von Rundstedt's Leave Ends

HAMBURG, Germany, Dec. 29 (AP)—Former Field Marshal Karl von Rundstedt, German commander in the Battle of the Bulge, headed back to a prisoner-of-war camp at Bridgend, Wales, today after an eight-day leave at Hanover. He had visited his 40-year-old son, Gerd, who is seriously ill in a nursing home.

DEC 30 1947

Bomber Crashes in Germany

Frankfurt, Germany, Dec. 29 (AP). An American A-26 attack bomber with two men aboard crashed today 15 miles northeast of Augsburg, United States Air Force headquarters at Wiesbaden said.

The fate of the men was not learned. Troopers were en route to the wreckage. The plane was on a navigational flight from Munich to Bremen.

DEC 30 1947

Russ Block Shooting Probe

Vienna, Dec. 29 (AP)—Franz Strubitz, an Austrian mechanic living in a Vienna suburb, was shot to death early today by an unidentified assailant in a Russian uniform, Vienna police reported. Police said the local Russian commander had refused Austrian officials' permission to investigate the shooting and had also removed the mechanic's body.

DEC 30 1947

Yugoslavs Sentence 13 In Escape-Aid Charges

Belgrade, Yugoslavia, Dec. 29 (AP). A priest, three nuns and nine other persons were sentenced to prison at forced labor today by a court in Maribor, Slovenia, on charges of helping war criminals escape.

The Rev. Valentin Stiler was sentenced to seven years and expulsion from the country after his term. One nun received a sentence of three years, and the other two received sentences of sixteen months. The other five women and four men were sentenced to terms ranging from three to six years.

DEC 30 1947

Reds Attacking Within 12 Miles Of Mukden

1947

Nanking, Dec. 29 (AP)—Artillery fire was heard in besieged Mukden as one Communist force penetrated to within 12 miles of the Manchurian city, the newspaper *Hsin Min Pao* reported today. It was one of the strongest frontal attacks of the current campaign.

The dispatch, first received from *Hsin Min Pao's* Mukden correspondent since censorship was imposed Friday, said 20,000 Communists pushed into a Government position 15 miles west of Mukden, and one column advanced three miles farther under cover of heavy artillery fire.

Nightlong shelling of areas only a few miles from the city was said to have eased as National troops hurled back the most advanced Red units.

Red Air Attacks Denied

There were rumors in Nanking that Communists had made air attacks on Mukden, but a military spokesman said the rumors were false. So far as is known, the Communists have no military aircraft.

National dispatches received in Peiping reported the withdrawal of part of the Government garrison at Changchun, Manchurian capital, "to join the battle for Mukden." It was considered possible, however, that the move might be a prelude to abandonment of the capital.

The dispatches said the troops bypassed Communist-threatened Kungchuling, 36 miles southwest of Changchun, and joined forces in the Szepingkai area, 70 miles southwest of the capital.

5,000 Reds Reported Killed

The press said 5,000 Communists were killed in a battle around Sinlitun, 70 miles west of Mukden. Four hundred Reds were said to have died Saturday night in an attack west of Tiehling, trunk line railroad town 40 miles northeast of Mukden.

National bombers based at Mukden were reported flying many missions, causing heavy losses among the Reds.

In Changchun, where the temperature was below zero, authorities requisitioned all soybean cake supplies for use as fuel in homes and in the city's power plant.

South of the Great Wall, Communist demolition squads were reported to have isolated Peiping by destroying sections of all four rail lines into the city.

Close To General Fu

One of the bands was said to have moved within a few miles of Government Gen. Fu Tso-yi's new North China headquarters at Fengtai, on the Peiping-Tientsin line, to blow up tracks.

Nanking observers did not consider Peiping's isolation as the prelude to a Communist attack on the city. But part of the Reds' overall strategy of destroying all communications to prevent Government movement of reinforcements to threatened areas.

Chiang Kai-shek conferred today with Government military leaders at Hankow, in central China.

Meanwhile, Hollington Tong, the Government's official spokesman, declined to comment on a charge by Gen. Hsu Chi-ming that Russia is supplying advisers and Soviet-made light arms and communications equipment to Chinese Communist armies.

DEC 30 1947

Gen. Lucas Leaving China For Washington

Nanking, Dec. 29 (AP) — It was learned today that Maj. Gen. John P. Lucas, commanding the United States army advisory group in China, has been ordered to return to Washington immediately.

Lucas's reassignment was announced a fortnight ago, but at that time it was said he would not leave China until March 1.

Hastening his recall raised speculation in Nanking that the United States Government might be giving urgent consideration to the China problem and desired consultation with the man most familiar with the Chinese Government's military needs.

COMMUNISTS NOW THREATEN MUKDEN

Neutral Paper Says Troops Are 12 Miles Away

DEC 30 1947

Nanking, Dec. 29 (AP)—Communists, advancing behind a heavy artillery barrage, have pentrated within 12 miles west of Mukden, and the noise of battle is clearly audible in that isolated Manchurian city, an independent Chinese press dispatch said today.

The account, in the paper *Hsin Min Pao*, was the first from its Mukden correspondent since the Government clamped censorship on that front three days ago.

No Details Given

It said 20,000 Communists had pushed into a Government position fifteen miles west of Mukden and one column had advanced three miles farther after an all-night artillery bombardment.

Later, it said, the most advanced Communists were hurled back by Government units, but no details were given.

Government dispatches from Manchuria via Peiping said national garrison troops from Changchun, the Manchurian capital, were marching south to "join the battle of Mukden," and already had reached Szepingkai, 70 miles southwest of Changchun and 105 miles northeast of Mukden.

Rail Lines Reported Cut

Five thousand Communists were reported killed in a battle at Hsinlitun, 70 miles west of Mukden, and 400 more near Tiehling, 40 miles northeast of Mukden.

Hsin Min Pao and other Nanking papers meanwhile said Communist raiders had cut all four of the railway lines fanning out from Peiping, isolating that major city of North China.

While Peiping Government officers expressed belief the raids might presage major Communist operations in North China, neutral observers there and in Nanking were of the opinion that the Communists were merely continuing and extending their standard tactics of destroying communications.

APANESE BELIEVE TOJO'S PLEA SOUND

DEC 30 1947

TOKYO, Dec. 29 (AP)—Wartime Premier Gen. Hideki Tojo lolled nonchalantly at his war crimes trial today, assured that his plea that Japan was defeated fighting in "self-defense" had reached the public.

Allied censorship and policy-making officers hinted that a tempest raged over the reception given to General Tojo's defense by the Japanese press and the man in the street. The former Premier's version was contained in a 65,000-word affidavit still being read to the tribunal.

Today censorship suppressed, at least temporarily, several editorials and editorially slanted stories commenting on the fact that most young Japanese and a huge majority of former service men interviewed accepted General Tojo's version. Many of the older persons interviewed expressed the opinion that General Tojo was attempting to alibi for losing the war, but said nevertheless that they believed that Japan had acted in self-defense.

An occupation official charged with supervising the Japanese press commented: "You can hardly expect the Japanese to be anti-Japanese."

Mrs. Tojo, dressed in a black silk ceremonial kimono, sat in the second row of the Japanese spectators' gallery. Throughout the session she kept her face partially covered with a handkerchief. She left before the end of the court session to avoid further the curious stares of neighbors.

Shoulders Shook

At the moment when Tojo saw her, Mrs. Tojo sobbed convulsively, leaned forward in a feeble attempt to bow and then covered her face with the handkerchief. Her shoulders continued to shake as Tojo's attorney read the defense affidavit.

During Tojo's moment of power, Mrs. Tojo became Japan's leading lady, and it was whispered she was running her hard-faced husband. One opposition Japanese general, referring to the reported authority of the Premier's wife, was quoted as saying: "When the hen crows, it will be the end of Japan."

Tojo's Wife Weeps As She Sees Him As Witness

DEC 30 1947

Tokyo, Dec. 29 (AP)—Mrs. Hideki Tojo, one-time social queen of Japan, saw her husband on the witness stand for the first time today and broke into nervous sobs.

Tojo's hard eyes picked her out in the crowd of Japanese spectators in the balcony of the International War Crimes Court as he entered with two American military police. He glanced at his wife impassively a moment and then turned toward the witness stand.

Daughter With Her

Mrs. Tojo, 57-year-old daughter of a prosperous business man, has attended several court sessions. She was not present, however, when Tojo took the stand for the first time Friday.

With her today was their fourth daughter—16-year-old Kimie—conspicuous in an orange, Western-style dress and with eyes reddened by weeping. She did not sit by her mother; the two apparently separated in an attempt to avoid attention.

Tokyo Prison Holiday Treat; Fish And Bath

DEC 30 1947

Tokyo, Dec. 29 (AP)—Metropolitan police annnounced today that to celebrate New Year's Day, biggest holiday on the Japanese calendar, all prisoners would get a special treat for breakfast—a fish apiece, cooked whole with the head and tail intact, an oriental delicacy.

The police said they also hoped to let each prisoner have a bath, but this would depend on the hot water supply, normally poor.

In hope of using up as few fish and as little hot water as possible, they are making a special effort to get rid of all releasable prisoners beforehand, but expect the majority of the present 1,400 to be on hand.

DEC 30 1947

2 Years For American

Kyoto, Japan, Dec. 29 (AP)—David E. Walters, of Washington, D.C., an army civilian employé, was sentenced to two years at hard labor and fined $2,000 today by a court-martial which convicted him of impersonating an army officer and accepting a bribe from a Japanese contractor.

Pirate Raid at Canton Reported

HONG KONG, Dec. 29 (AP)—The newspaper Sing Tao Jih Po reported today from Canton that thirty passengers and the crew of the motorship Chow Lung were killed Friday in an hour-long battle with grenade-hurling pirates on the East River. The report said the ship was sunk.

DEC 30 1947

Ship Pays Fine to China

HONG KONG, Dec. 29 (AP)—The American-owned Everett Steamship Company said today that it had paid a fine of four billion Chinese dollars (about $25,000 U. S.) to Amoy customs for the release of the steamship Prosper, seized when large quantities of smuggled goods were found in the engine room.

DEC 30 1947

ARABS SEND NEW FORCES TO PALESTINE

Fighting Intensified As Volunteers Cross Into Holy Land

DEC 30 1947

Jerusalem, Dec. 29 (AP)—The "no-man's land" between Tel Aviv and Jaffa broke out into a new fury of gunfire and bombing tonight as armed and trained volunteers from neighboring Arab countries were reported already crossing into turbulent Palestine.

The Arab reinforcements were reported as Jewish underground fighters killed twelve Arabs at historic Damascus Gate in Jerusalem in the largest mass slaying in Palestine since the United Nations voted for partition a month ago.

Irgun Zvai Leumi, extremist Jewish underground group, said it launched the attack, in which two British constables and one Jew were also killed. Irgun made a similar attack at the massive stone gate two weeks ago, when ten Arabs were killed.

2 More Jews Killed

Two more Jews were killed—one a woman—in the Tel Aviv-Jaffa battle zone. The day's fatalities mounted to 23, and included a British soldier, one Jew and four Arabs—two of them boys whose newly found mortar exploded. Arab sources said their dead at the gate included a boy and two schoolgirls.

The toll for Palestine mounted to 429 and for the entire Middle East to 550 since the United Nations decision on November 29 to partition the Holy Land.

Jewish sources said Arabs in tonight's Tel Aviv-Jaffa battle were reinforced by riflemen from an Arab concentration point at Nablus. The Jewish fighters fired from boats on Arab coffee houses in Jaffa suspected as meeting places for Arabs from Nablus.

DEC 30 1947

More Volunteers Arrive

A report from Damascus told of the arrival of more volunteer fighters to bolster Arabs in Palestine, and Prince Faour of the Fadl Tribe said his men had crossed the border into Palestine and were already in the fighting.

Late into the night, under a bright moon, tracer bullets arched in sporadic firing over the historic old city of Jerusalem, whose Damascus Gate bombing caused fifteen deaths and injured almost 40 persons.

Police said the attackers in a Jewish taxi raked an Arab bus with automatic weapon fire as the bus prepared to leave for Nablus, then tossed a small bomb into the crowded street under the gate.

Taxi Is Caught

Two carloads of members of the Arab youth group Munazimet Shabab gave chase to the taxi and caught it about a mile away. The Arabs said they killed one Jew and wounded two others, then brought the taxi back to the gate to "burn it for our people."

The enraged Arabs hurled stones and poured gunfire into the burning vehicle.

British police in armored cars, jammed bumper to bumper, blocked the wide stone gate. Police opened fire in an attempt to restore order, and in the exchange two British constables were killed.

The military banned all Jewish taxis from the streets of Jerusalem

30.24- 14527

effective at 6 A.M. tomorrow until tension ceases.

Today's violence reached for the first time into Bethlehem when an Arab doctor was shot to death not far from the Church of Nativity. He headed a Government mental hospital. The killing was believed to have been in retaliation for the shooting of a Jewish doctor yesterday at Beit Safafa, south of Jerusalem.

A group of uniformed attackers police believe were Jews stormed a British army camp near the Tel Aviv-Jaffa area, killed one British soldier, and fled with a large number of guns.

An Arab corporal in Trans-Jordan's Arab Legion was killed when Jews attacked a convoy south of Rosh Pina, in the northern Galilee area.

A Jewish official of Barclays Bank in Jerusalem was wounded fatally by an attacker who tossed a hand grenade at the official while he was walking to work.

Some Signs Of Peace

Some signs of temporary peace appeared. A private informant said an "unofficial" truce prevailed in the port city of Haifa, after appeals yesterday by an "Arab National Committee," a joint Moslem Christian group, and the Haifa section of Hagana.

The informant said a high-ranking British official had aided in the negotiations, which had been requested by Palestine citrus planters wanting to complete export of their crop.

Hagana informants said several Arab villages which had concluded informal "nonaggression" pacts with their Jewish neighbors had guaranteed safety of Hagana inspectors who wished to make sure the villages harbored no outside agitators.

A Jewish Agency official said he had no information concerning two Jewish refugee ships, the Pan York and the Pan Crescent, both under Panamanian registry, reportedly en route to Palestine from the Black Sea with nearly 14,000 visaless Jews.

Heavy Fleet Units On Move

[In London official British and Panamanian sources said Britain secretly approached the governments of Panama, Turkey, Bulgaria and Romania in vain attempts to stop the ships from sailing.

[British Admiralty sources said heavy units of the Mediterranean fleet were moving into position to augment destroyers blockading the Palestine coast for the first time in the history of illegal Jewish immigration.

[The informants said the heavy units, including an aircraft carrier and two cruisers, were being used because the two immigrant ships were the largest yet to have set out for Palestine, and because boarding operations inside territorial waters are expected to be "more involved than usual."]

British transports moved out of Haifa harbor for Cyprus today with 683 Jews from Central Europe who tried to enter the Holy Land without immigration certificates. They were taken from the 200-ton schooner "November 29," named for the day the United Nations voted on partition. The British intercepted the vessel outside Haifa harbor.

Damascus Gate Clash Costs 15 Lives

Jerusalem, Dec. 29 (AP)—At least twelve Arabs, two British constables and one Jew were killed in a clash at Jerusalem's historic Damascus Gate today after Jews had hurled grenades and machine-gunned an Arab bus.

Police said the melee started when the occupants of a Jewish taxi heaved a grenade into a crowded street near the massive stone gate and machine-gunned an Arab bus preparing to leave for the all-Arab town of Nablus.

"At least twelve Arabs were killed," the police said.

They declared that two carloads of Arabs chased the fleeing taxi and overhauled it a mile away, where they killed one Jew and wounded another. The Arabs then drove the taxi back to Damascus Gate where they set it afire.

Army Camp Raided

Two British constables trying to restore order among the enraged Arabs were killed in attempting to put out the blaze.

Other violence of the day added further casualties.

An armed band, believed to be Jewish, raided the British Army's Tel Litwinsky camp near Tel Aviv, killed one British soldier and fled with a large number of guns.

The attackers, who wore battle dress and steel helmets, entered the camp by cutting through barbed-wire barricades. Police said they attacked the armory under cover of heavy fire.

In Bethlehem, an Arab doctor who headed the Government mental hospital was shot to death in the Ibhasi quarter not far from the Church of the Nativity.

Death Toll Now 545

The dead in communal violence in Palestine since the United Nations voted November 29 to partition the Holy Land totaled 424. The roll throughout the whole Middle East rose to 545.

Earlier a Jewish civilian was fatally wounded by a bomb tossed at the National Bus Company offices near Barclay's Bank and an Arab corporal of the Trans-Jordan frontier police was slain during a machine-gun attack on a supply convoy in northern Galilee. Three other Arab troopers were wounded in the convoy attack.

An Army officer who saw the Jewish attack on Arabs in the Romena Quarter of Jerusalem yesterday said today that "the attackers used a Red Shield ambulance, obviously previously arranged, as an escape vehicle."

Police said the raid on the British army camp apparently was carried out by members of the Jewish underground to obtain weapons.

The raiders' loot was said to have included 74 rifles, seven Sten guns and 3,000 rounds of ammunition.

Jewish Agency Split Seen

The Jewish Agency, cornerstone of the fight for an independent Jewish state, appeared today to be facing the possibility of a serious split over the question of future relations with Soviet Russia and her satellites.

Differences within the Agency were revealed yesterday when Dr. Moshe Sneh resigned as a member of the Agency Executive and announced his intention of forming a "popular opposition" group.

Sneh said flatly that the Agency had been inclined to lean too much toward the western powers and that he believed it had been neglecting its relations with the eastern bloc.

Refugee Ban Assailed

The immediate cause of Sneh's resignation was an Agency order directing that for the time being, no more refugee ships should sail from Black Sea ports, where thousands of visaless Jews are reported to be awaiting shipment to Palestine in defiance of British immigration restrictions.

Unofficial informants said the Agency had acted under pressure from London and Washington, which were represented as anxious to prevent further illegal immigration in the light of the tense situation already existing in Palestine.

There was every indication, however, that the shipments would be continued despite the agency's order. Last night an immigrant ship carrying approximately 691 visaless Jewish refugees arrived in Haifa under British naval escort.

683 Jewish Refugees Off For Cyprus

Haifa, Dec. 29 (AP)—Six hundred and eighty-three Jewish refugees from Central Europe, intercepted while trying to enter Palestine without visas, were deported today to detention camps in Cyprus.

The refugees were debarked without incident from their 200-ton schooner, which was escorted into Haifa harbor yesterday by British naval vessels, and were placed aboard the British ship Ocean Vigor.

Three sick refugees and two of their relatives were taken ashore for treatment here.

The refugee ship, which the Jews has named November 29th in memory of the day the United Nations decided to partition Palestine, was the forty-sixth boatload of uncertified immigrants to try to reach the Holy Land from Europe during the last year and a half.

Warn Of 'War To Death'

Cairo, Dec. 29 (AP)—Egyptian legislators tonight warned of an Arab "war to the death" unless "justice" was done to Palestine Arabs.

They also said great Britain's "insistence" on terms of the 1936 Anglo-Egyptian Treaty was a "threat to peace."

Both pronouncements were contained in a draft reply of the Chamber of Deputies to the recent throne speech opening Parliament and outlining Government policy.

4 Nations Refuse To Halt Jews

London, Dec. 29 (AP) — Official British and Panamanian sources said today that Great Britain secretly had approached four governments in vain efforts to prevent nearly 14,000 Jews from sailing toward Palestine from the Black Sea.

The governments of Panama, Turkey, Bulgaria and Romania told the British they saw no way to prevent the Jews from sailing, informants said.

The Jews were reported from Istanbul yesterday to have cleared the Bosphorus aboard the 5,000-ton converted cargo ships, Pan York and Pan Crescent, in the biggest single mass attempt to reach Palestine without immigration certificates.

Under Panamanian Flag

The ships are operating under the flag of Panama. Turkey controls the straits between the Black Sea and the Aegean. Bulgaria and Romania are nations on the Black Sea, along which the vessels collected the immigrants.

A British Admiralty source said heavy units of the British Mediterranean fleets, including an aircraft carrier and two destroyers, were moving into position to augment the destroyers blockading the Palestine coast.

A spokesman for the Admiralty said: "The Navy will, of course, intercept the vessels and escort them to territorial waters before boarding them in the usual way."

Planes are expected to join in the watch.

British sources said many of the Jews are believed to be armed, despite a search by Turkish authorities as the ships passed through the straits.

British Move to Halt Two Refugee Vessels

LONDON, Dec. 29 (AP)—A British admiralty source said tonight that heavy units of the Mediterranean fleet were moving into position to intercept two Jewish refugee vessels with nearly 14,000 European Jews sailing from Black Sea ports to Palestine.

Official British and Panamanian sources said Britain secretly approached the governments of Panama, Turkey, Bulgaria and Romania in a vain effort to halt the ships from sailing.

The Jews, who lack immigration certificates for admission into the Holy Land, were reported to have cleared the Bosphorus aboard the 5,000-ton vessels Pan York and Pan Crescent, in the biggest single mass attempt to smash the Palestine coastal blockade. Both ships are under Panamanian registry.

Admiralty sources said the heavy units of the fleet, which will augment destroyers now blockading the Palestine coast, will include an aircraft carrier and two cruisers.

Earlier a foreign office spokesman had said a large number of the Jews aboard were believed to be "tough" young men, many of whom were armed.

"The navy will, of course, intercept the vessels and escort them to territorial waters before boarding them in the usual way," an admiralty spokesman said.

Victor Emmanuel Dies in Exile

Former Italian King Succumbs to Pneumonia at Alexandria—Put Mussolini in Power.

DEC 30 1947

Alexandria, Dec. 29 (A. P.).—Victor Emmanuel III, 78 years old, the diminutive King whose twenty years of subservience to Benito Mussolini led to the downfall of the House of Savoy and nearly brought about the ruin of Italy, died in his rented villa here in exile yesterday. Elena, tall, 74-year-old wife of the former ruler, was at his bedside with two of their daughters, Yolanda and Giovanna.

The former King was stricken with double pneumonia Wednesday while preparing to celebrate Christmas with his family.

Egypt's Flags At Half-Staff To Honor Vittorio Emmanuele

DEC 30 1947

Alexandria, Egypt, Dec. 29 (AP)—Egyptian flags flew at half staff over Government buildings today as a sign of mourning for former King Vittorio Emanuele III of Italy, who died in exile yesterday in his villa.

A palace source in Cairo said Egyptian King Farouk left for Alexandria to express personal condolences to Vittorio Emanuele's family.

The Egyptian Government is making preparations for a military funeral, the source said, but is awaiting the arrival from Portugal of Vittorio Emanuele's son, former King Umberto II.

Burial Place Undetermined

Place of burial for the 78-year-old former king who ruled Italy for more than four decades has not been determined.

Dr. Maggiorino Peta, physician for Vittorio Emanuele, said he confirmed a diagnosis that the former monarch was suffering from "pulmonary infection and heart weakness."

The physician said Vittorio Emanuele "asked to be taken out of bed and we had him sit in an armchair, but after a few minutes we had to put him back to bed," Peta said. "He complained he could not breathe."

Monarchists Plan Service

Rome, Dec. 29 (AP)—Italian monarchists made plans tonight for a private memorial service for former King Vittorio Emanuele III.

The *octavarios*, or ceremony of the eighth day after death will be held January 4 either in the Church of Saint Mary of the Angels or in the Pantheon, it was said, and will be sponsored by the National Monarchist Labor party.

Rome's newspapers told on their front pages of the triumphs and mistakes of the monarch,

Political Puzzle Arises In Italy Over Ex-King

DEC 30 1947

Rome Dec. 29 (AP)—A former King's death in Egyptian exile dumped another problem into the already overladen lap of Premier Alcide de Gasperi today.

The problem: Should the Government of the young Italian republic send condolences to the family of ex-King Vittorio Emanuele III, who died yesterday in Alexandria one year and ten months after he abdicated the throne he had held almost 46 years?

Political sources said some Cabinet Ministers were urging the Catholic Premier that it was the least the republic's fourth ministry could do to cable its regrets to ex-Queen Elena.

Fire From Left

Yet de Gasperi could be sure that, if he did, the fire from the Italian Left, bitterly against monarchism in all its forms, would be stepped up.

And if he did not, de Gasperi could be sure that Italy's Monarchists—some 10,000,000 Italians voted to keep the House of Savoy in the June, 1946 plebiscite, which installed the Republic—would hold it against him.

A spokesman at the Premier's office said this morning that the new constitution made the members of the House of Savoy "private persons." The spokesman said he did not believe the Government would convey official regrets, although individual ministers might.

De Gasperi Silent

De Gasperi himself has sent no telegram, he said.

The spokesman said he believed there was no possibility that Vittorio Emanuele would be buried—"at least, right now"—in the 19-century-old Pantheon where his father and grandfather lie.

The Cabinet was expected to study the dilemma today.

Already, Monorchists were charging that a provision of the new Italian constitution, promulgated Saturday, which deprived the House of Savoy of its properties and barred its two ex-king's return to Italy, has hastened the death of the 78-year-old Vittorio Emanuele.

Monarchist Message

Rome Monarchists prepared for private memorial services January 4.

Italy's two Monarchist parties—the Italian Monarchist Union and the National Monarchist Labor Union—sent the following telegram to Vittorio Emanuele's son, ex-King Umberto II, in Lisbon:

"The Monarchists, consternation-stricken at the disappearance of the great soldier King, unite in the sorrow of your majesty, the King."

La Republica, the first Leftist paper to appear after the ex-King's death, assailed Italian Monarchists for attempting to construct the "piteous fable of the poor King, dead in exile, of heartbreak" over the Republic's ban on his return to Italy.

"Supported Fascists"

The Leftist independent *Momento* said that if the King's reign had ended after 20 years, "his glory would have been safe from any reflection."

Unfortunately, the paper added, "by lending his support to the Fascist dictatorship and thereby assuming irremovable co-responsibility in the catastrophe in which Mussolini's adventure concluded, he succeeded in undoing his own work."

Vatican sources said Pope Pius XII had sent a message of condolence to ex-Queen Elena last night.

DUTCH TO RECOGNIZE EAST SUMATRA STATE

BATAVIA, Java, Dec. 29 (AP)—A Dutch spokesman disclosed today the formation of the first Dutch-approved State in Netherlands Indies territory over which the Netherlands had recognized the authority of the Indonesian Republic under the Cheribon Agreement.

The new State (Negara) is East Sumatra, embracing the islands of the East Coast area over which the Dutch regained control during two weeks of "police action" last July. It has a population of about 2,000,000—largely Malays—and includes most of the European and American-owned rubber, palm oil and tobacco plantations on Sumatra.

The spokesman said that the Dutch Governor General, Dr. Hubertus J. van Mook, in a Christmas Day decree, elevated East Sumatra to a state from the next lower status of "Daerah Istimewa," which has some autonomous power but is usually a unit of a state.

A well-informed Dutch source said that the island of Madura, off the northeast coast of Java, was expected to receive autonomous status "in a very short time," either as a State or Daerah Istimewa.

The States will become full members in a federated United States of Indonesia which the Dutch plan to set up, the source said.

Republican acceptance of the plan was understood to be unconditional, but it was believed that the letter would contain "helpful" suggestions.

Dr. Amir Sjarifudin, Indonesian Republican Premier, did not return with the Republican delegation, as he was ill and had urgent affairs to which he must pay attention in the Republican capital, Republican sources said.

ARGENTINA MAY HALT BRITISH MEAT SUPPLIES

DEC 30 1947

BUENOS AIRES, Dec. 29—(AP) Amos J. Cooke, a representative of the British food ministry, said today the Argentine government had ordered all meat shipments to Great Britain halted by Jan. 7.

Cooke said he had received no official notification of the ban, but had been told by Buenos Aires packing house representatives that they had received orders to that effect.

Trade circles here said the Argentine government probably would carry out the order barring meat shipments unless the British government could arrange to pay for its meat purchases in pounds convertible into United States dollars.

Argentina exported about 450,000 tons of frozen meat to Great Britain in 1947 and it was estimated 1948 shipments would total about 400,000 tons.

Argentina May Restrict Meat Sent To Britain

DEC 30 1947

Buenos Aires, Dec. 29 (AP)—A reliable trade source told the Associated Press today the Argentine Government has ordered all meat shipments to the United Kingdom halted after January 7 unless Britain is able to arrange payment in convertible pounds.

A British mission now negotiating in Buenos Aires, the source said, has been informed of the Government's attitude and was "hopeful" that an agreement could be reached before the deadline.

China Gets Munition Factory

OTTAWA, Dec. 29 (AP)—Equipment for a small arms ammunition factory has been shipped from Canada to China as part of the $10,000,000 deal by China for Canadian military equipment, The Canadian Press said today. Previously it was disclosed that Mosquito fighter-bombers, ammunition for these aircraft and landing ground equipment were included in the arrangement, which developed from the 1945 mutual-aid agreement.

ANTI-INFLATION MEASURE IS LOST IN WHITE HOUSE

DEC 30 1947

Secret Service Agents Fail to Solve Mystery of Missing Bill.

TRUMAN WAITS TO SIGN

Plane Speeds to Get Signature of Martin on Substitute Copy.

WASHINGTON, Dec. 29 (AP)—The G. O. P. anti-inflation bill was lost, strayed or stolen at the White House today and while secret service agents sought to crack the mystery an army plane was pressed into service to get the signature of Speaker Martin on a substitute copy.

A frantic, all-day search of the executive mansion failed to reveal a trace of the document, last seen yesterday on the desk of Clark M. Clifford, the president's special counsel.

While the hunt went on, President Truman waited to sign the measure, though he had branded it "pitifully inadequate" to curb soaring living costs.

Document Vanishes

Then in late afternoon, Presidential Secretary Charles G. Ross had to announce to newsmen that the document had seemingly vanished into thin air.

He said that a duplicate copy had been prepared and Senator Vandenberg (R-Mich), presiding officer of the senate, had signed it. But the signature of Speaker Martin was also necessary and he was in North Attleboro, Mass.

So George Elsey, assistant to Clifford, was assigned to speed in an army plane to North Attleboro. He was expected to get the substitute back to the White House by tomorrow morning. The president must affix his signature by Wednesday midnight or the measure dies.

Much of the government marked time while the White House was being ransacked for the document. Secretary of Agriculture Anderson, due to clamp a ceiling on grain usage by distillers as soon as the bill became law announced no action would be taken tonight.

At the Commerce Department, officials working on a new voluntary allocation plan for steel, fertilizer and other scarce commodities, waited for the official go-ahead before completing plans to call the industries into meetings here. Such voluntary allocations are authorized by the bill.

Taft In Return Broadside

And in Kansas City, Senator Taft (R-Ohio), co-sponsor of the measure and a Republican aspirant to succeed Mr. Truman in the White House, fired a return broadside in retaliation for Mr. Truman's denunciation of the bill last night.

The administration "does not need the police-state powers which

30.24- 14529

the president demands," Taft told a Republican mass meeting. He asserted that the government now has power "to stop the increase in prices if it really wants to stop it."

The day-long delay at the executive mansion went unexplained until about 5:30 p.m. (E.S.T.). Then Ross called reporters in and told them:

"The anti-inflation bill has not been signed. The bill was to have been signed this morning. It was mislaid. It is something of a White House mystery."

Secret Service men had been put to work on the problem, he said.

A reporter broke into Ross' story at this point: "How did it disappear?"

"I wish you could tell me," the press secretary replied.

He ignored a reporter who inquired whether the bill could have "disappeared into the same stratosphere as rising prices."

Meanwhile the distilling industry —the only one brought back under mandatory wartime allocation control by the new law—waited for Secretary of Agriculture Anderson to announce how much grain it may use between now and January 31. Anderson's announcement is due immediately after the bill becomes law.

Anderson has indicated he will restrict grain production to 2,500,000 bushels a month, about half the average consumption in the year preceding the voluntary 60-day distilling "holiday" which ended Christmas Day. Some distillers have continued the shutdown. Others resumed operations Friday morning.

Truman May Ask Marshall Plan Speedup

DEC 30 1947

Washington, Dec. 29 (AP)—President Truman may appeal to Congress in his forthcoming state-of-the-Union message to speed up its Marshall-plan schedule to avert a possible spring crisis in Europe.

Mr. Truman is known to have been told by his Capitol Hill lieutenants that, under present circumstances, final congressional action on the long-range European recovery program is not likely to come before the stop-gap relief law approved by the special session expires March 31.

Under the terms of this act, all commitments must be made before that date. Whether there is any money left for spring relief work depends on the rate at which it is spent during the winter.

Applies To Only 3 Countries

In any event, the stop-gap program applies only to France, Italy and Austria in Europe, leaving the needs of other countries unfilled until Congress decides what it wants to do about the long-range proposal.

As evidence that there may be a spring crisis in Europe, Administration experts point to developments in Greece. There the Communists have moved to convert their guerrilla fighting into a full-fledged civil war by setting up their own government which may get recognition from neighboring, Russian-dominated states.

RFC Aid May Be Sought

The four-year, $17,000,000,000 aid plan which the President submitted to the special session on its closing day contemplates a start April 1 so there would be no gap between it and the relief program.

To meet this schedule as nearly as possible, the Administration is expected to ask that any authorization legislation permit the reconstruction Finance Corporation to advance funds until actual appropriations bills can be passed.

Some Democratic leaders think that Congress will give its approval to the Marshall plan authorization early in April but others say it may take a month or more longer.

As an indication of how the wind is blowing, Chairman Taft (Ohio) of the Senate Republican Policy Committee, said over the week end that he doesn't think Congress can complete work on its legislative program in time to adjourn for the presidential nominating conventions.

GOP Convention June 21

The GOP convention is set for June 21 in Philadelphia and the Democrats are due to meet in the same city July 12.

Senator White, of Maine, the Republican floor leader, said he expects "length discussion" of the Marshall plan, adding that debate may have "a great deal of acid in it."

Senator Langer (R., N.D.) said he would fight the Marshall plan "or any other similar to it in any way shape or manner" until various needy groups in this country are cared for.

"I can see no reason to give money to foreign governments when you do not know from one week to another who will be in control of them," Langer said.

Taft listed about 30 pieces of legislation he said would be brought before the policy committee at a meeting, probably January 5, when the Republicans hope to draft a schedule of action. The list included the regular appropriations bills which ordinarily cause a legislative log jam late in June.

Other Major Issues

Besides the Marshall plan, Taft listed for consideration such major issues as a proposed income-tax cut, universal military training, a long-range agricultural program to replace the price-support law which expires at the end of next year, housing, health and education legislation and various anti-inflation measures.

He said the conference of all Republican senators would be asked to express its views on the Marshall plan early in January. Similarly, Leslie L. Biffle, staff director, said the Democratic Policy Committee would meet on the question shortly after Congress convenes, after which the conference of all Democratic senators will be called.

Congress will reconvene one week from tomorrow.

Wider U.S.-Greek Policy Hinted

DEC 30 1947

Washington, Dec. 29 (AP)—Policy decisions on whether, and how, to step up American military aid to Communist-threatened Greece are shaping up for the Administration.

Under State Department study for more than a month, the issue involves:

1. A proposal to divert to outright military purposes a still larger portion of the $300,000,000 fund originally intended to be divided equally between bolstering the Greek army and shoring up the country's sagging economic system.

2. Whether to ask Congress to pledge military backing to the Athens regime beyond the June 30 deadline for the current assistance venture—part of the $400,000,000 Greek-Turkish program launched earlier this year.

Contemplates No Arms Outlay

Greece is one of the sixteen western European countries looking to the Marshall plan for long-range recovery help. But that mutibillion-dollar project contemplates no outlays for arms.

Official sentiment is divided on whether to ask Congress to make up the diverted funds by special action or rely for this on Greece's ultimate share in the Marshall plan.

If what appears to be the prevailing State Department view is accepted, any move by Russia's Balkan satellites to recognize the new rump state proclaimed by the guerrillas will bring early American action to bulwark the Greek army.

In Position To Act Promptly

The Administration is in a position to act promptly so long as funds remain from the Greek-Turkish program. Congress left it to the Administration to decide how to split the money between economic and military uses. Already, $9,000,000 of the $150,000,000, originally earmarked for economic aid has been shifted to buy supplies and equipment for the Greek army.

The study of ways to meet what Under Secretary of State Lovett described last month as an "emergency" was spurred over the week end by the first reported use of artillery by the guerrillas following their proclamation of a "free state."

Athens dispatches said more than 200 artillery shells fell on Konitsa in a Christmas attack by the rebels, who hitherto had relied on small arms and mortars.

More Balkan Aid Seen

Field guns normally are available only to forces with means for large-scale supply of ammunition. Hence, officials accepted this as evidence that Yugoslavia, Bulgaria and Albania were prepared now to step up their assistance, possibly on the eve of extending diplomatic recognition to "free Greece" and claiming legal sanction for open backing of the rebels.

The suspicion that the Balkan Communist states were ready to take this step was deepened by the prompt manner in which the Communist press in Europe forecast recognition following the free state proclamation by Gen. Markos Vafiades.

Considered Unimportant

These Government officials described the Russian note as one of many received monthly by the State Department about such matters. These notes are considered so insignificant, they said, they are referred to American commanders on the spot for possible action.

The Russian planes which these officials said flew illegally over American territory in the Far East included transport planes which verred from the course assigned them in their regular flights from Siberia to Tokyo. These flights are allowed by General MacArthur's headquarters because the Russians say they need them to service and supply their staff in the Japanese capital.

Moscow Food Supply Short, U.S. Informed

DEC 30 1947

Washington, Dec. 29 (AP)—Confidential reports to the State Department from the American Embassy in Moscow tell of continued shortages and increasing prices since the Soviet abandonment of rationing, Government officials said today.

Summarizing conditions at the end of the first few days of decontrol, the cables report long queues of Soviet citizens before food shops.

The Russians reportedly are able to buy only small amounts of staple products because of shortages of food and other commodities.

The Soviet Government ended rationing in mid-December and simultaneously revalued the ruble as a move to halt further inflation.

State Department Answers Russian Plane Charges

DEC 30 1947

Washington, Dec. 29 (AP)—Russian aircraft were reported today to have flown over American-occupied Japan and Korea numerous times without prior authorization during the past months.

Diplomatic officials disclosed this today in commenting on a Russian protest to the State Department against alleged American flights over the Soviet-held Kurile islands off Japan.

Bulgarian Minister Greeted By Truman

DEC 30 1947

Washington, Dec. 29 (AP)—President Truman today told the Minister of Communist-dominated Bulgaria the American people will continue their friendly interest in the "arduous struggle" of the Bulgarian people to build an independent and democratic country.

Mr. Truman made the statement at the White House in receiving Dr. Nissim Judasy Mevorah as the first postwar envoy of the Bulgarian Government.

Dr. Mevorah replied that he believed the renewal of diplomatic relations between the two countries will mean that "many prejudices will be dispelled and many harmful legends" about the postwar Bulgarian Government will be "destroyed."

General Graham, Utah Governor Named As Speculators

DEC 30 1947

Washington, Dec. 29 (AP)—Brig. Gen. Wallace H. Graham, President Truman's personal physician, and Gov. H. B. Maw of Utah were among 99 public officials named by Secretary of Agriculture Anderson today as speculating in grain last September.

The 99 included 80 Federal Government employés, counting military officers as Federal employés. The others work for state or local governments.

Says Broker Bought

Graham issued a statement saying his broker bought the grain for him without his knowledge and that when he learned of it he ordered it sold. He said he had turned "a very small saving" over to his broker with instructions to handle his account as the broker thought best.

Neither he nor his family has any commodity holdings, Graham said.

Graham said he ordered the wheat sold October 7 because of "public discussion" of grain trading. That was two days after President Truman, in a radio broadcast in connection with his food-conservation program, said grain prices "should not be subject to the greed of speculators who gamble on what may lie ahead in our commodity

Truman's Physician Listed as Grain Speculator

WASHINGTON, Dec. 29—(AP) The names of President Truman's personal physician, Brig. Gen. Wallace H. Graham, and Utah's governor, Herbert B. Maw, appeared today on an Agriculture Department listing of 99 public employes who speculated in grain last September.

Graham issued a statement saying that on October 7 he learned from his broker that he had "a small holding" in an account the broker was handling, and that he forthwith instructed that it be sold.

He inquired about his account, he said, "because of all the public discussion of grain trading" then current. This discussion included an October 5 food conservation appeal in which President Truman said "the cost of living in this country must not be a football to be kicked about by gamblers in grain."

Not to Resign

Late today, Presidential Secretary Charles G. Ross told reporters: "Dr. Graham will continue as White House physician."

This was in reply to a direct question by a reporter who told Ross that Mr. Truman has condemned trading in commodity markets.

Ross was asked whether Graham had ever discussed his former grain holding with the President. Ross said that shortly after noon Dec. 18, Graham was in the President's office and had told him of his former holdings.

This was a few hours before Mr. Truman announced he was ready to sign a congressional resolution authorizing Secretary of Agriculture Anderson to make public a list of commodity traders.

The President said, Ross continued, that he had known then that Graham's name would be listed but up to that time, "knew nothing of it."

'Legitimate,' Maw Says

Governor Maw, a Democrat who was elected three years ago, told reporters at Salt Lake City that he had "participated in market trading on and off for the past 20 years." Such trading is "perfectly legitimate," he noted.

As Maw said, there is nothing illegal about speculation. The release of today's list, along with two previous ones, stemmed from Republican statements that some "government insiders" have profited from their personal knowledge of government plans for commodity buying.

Most of those on today's list were relatively small fry—a number of mail carriers and policemen were among them. There were also three department of agriculture employes, a number of army and navy officers and a scattering of state officials.

Rep. August H. Andresen (R-Minn), head of a special house committee to investigate grain speculation, told a reporter that "the fact that the President's personal physician appears on the list speaks for itself."

Andresen to 'Dig Deeper'

He added that the list doesn't go far enough and that his committee will dig deeper, "to get a true perspective of government insiders who were in the market over a period of time."

Oscar M. Freeman, United States Navy, 660 W. One Hundred Eighth street, New York city, held 5,000 long September 17, bought 10,000 and sold 20,000 September 19, bought 20,000 and sold 15,000 September 20.

The department said Franzen resigned from the department in June, 1944, or more than two years before transactions reported today.

All "Small Operators"

All of those listed today were relatively small operators. None ran in the list of so-called "big" traders—that is, those holding or trading 200,000 bushels or more.

[Previous lists made public by the department were: First, 711 names of so-called "big" traders who were in various markets on October 31, 1946, and October 31, 1947. Second, a list of 1,240 names of big and small traders who were active in wheat futures on the Chicago Board of Trade on April 30, 1946.]

The largest operators named on today's list were Police Officer Daniel P. Gilbert, of Chicago, and Ensign John E. Turner, of the United States Naval Reserve, of Palm Beach, Fla.

Policeman's Transactions

Gilbert was reported to have held 40,000 bushels long and 20,000 bushels short on September 17, to have bought and sold 5,000 bushels on September 18, to have sold 5,000 on September 19 and to have sold 10,000 on September 20.

Turner was reported to have held 20,000 long and 10,000 short on September 17, to have bought 40,000 and sold 30,000 on September 19, and to have sold 20,000 on September 20.

Additional lists of traders active in the market during 1946 and 1947 will be released from time to time until all of 14,000 names now available to the department, as a result of its surveys of trading operations, have been made public.

Another list of Government employés may be released later if a special inquiry brings additional names of public workers to light.

Asked Brokers For Names

Secretary Anderson on Friday called upon brokers to supply him with names of Federal, state and local officials, or members of their immediate families, who have traded in futures commodities since January 1, 1946.

This information, which must be supplied under oath, must be in the hands of the department not later than January 10.

Representative August Andresen (R., Minn.), chairman of the special House committee investigating commodity trading by Government officials, told reporters he wants to study the list before commenting on it.

markets. . . . The cost of living in this country must not be a football to be kicked about by gamblers in grain."

No White House Comment

Charles G. Ross, presidential press secretary, said there would be no comment from the White House itself.

At his office in St. Paul, Harold E. Stassen, candidate for the Republican presidential nomination whose charges resulted in release of the lists, also said he had no comment on the new list.

Maw, a Democrat, is now in the the third year of a four-year term as Governor of Utah.

In Salt Lake City, Maw told reporters he had "participated in market trading on and off for the past twenty years."

Maw added that such trading was "perfectly legitimate" and that thousands of business men over the country traded in the grain, stock and bond markets.

Graham was reported to have held 30,000 bushels of wheat on the "long" side of the market and 20,000 bushels on the short side on September 17.

He also was reported to have sold 10,000 bushels on September 19.

Maw's Listed Dealings

Governor Maw was listed as having held 5,000 bushels on the long side of the market on September 17 and to have sold the same amount on September 18.

Those on the "long" side of the market believe prices will go higher and, accordingly, buy grain for future delivery. Those on the short side believe prices will go down. They sell for future delivery, hoping to gain by a price decline.

Today's list of traders is the third released by the department under congressional instructions growing out of charges by Stassen and others that "Government insiders" have been profiting by speculation in commodities.

Truman Criticized "Gambling"

Speculation is entirely legal, but President Truman has spoken out sharply against "gambling" in grain, contending it has run up prices. Some Commodity Exchange men dispute the President's view that speculation increases prices.

The Agriculture Department said three of its own employés were on the list released today.

One official listed was Harold B. McDonald, a clerk of the United States Bureau of Internal Revenue at Washington.

The department said he is a son of J. E. McDonald, Texas agricultural commissioner, who has long been a critic of the Administration's farm policies. The department said it had investigated McDonald's operations and that he told them the operations were those of his father. McDonald was listed as having held 10,000 bushels long on September 17 and to have sold that quantity on September 20.

Pauley On Previous List

The two lists of traders previously made public included only one person who was identified by the department as a public official. He is Edwin W. Pauley, assistant to Secretary of the Army Royall.

Pauley had told a congressional committee of his operations. He said he went into the market while he was a private citizen and has taken steps to dispose of his holdings since accepting the Government post.

Most of the Federal employés on today's list have jobs outside of Washington.

Agriculture Dept. Employes

The Agriculture Department employés include J. Lee Zimmerman, a soil surveyor, of Route 4, Lexington, N.C. He was reported to have bought 1,000 bushels of wheat September 19.

Another was Donald J. Smith, farm labor supervisor, of St. Paul, Minn. He was listed as having bought 5,000 bushels on September 19.

The third department employé was Ralph J. Baker, an employé at Lincoln, Neb. He was listed as having bought 10,000 bushels of wheat on September 19 and to have sold 5,000 bushels on the following day.

The department said a former employé, Herbert Franzen, at one time a farm credit examiner, was on the list. He was reported to have held 10,000 bushels on the long side of the market on September 17, to have bought and sold 10,000 on September 18, to have bought 5,000 on September 19 and to have sold 5,000 on September 20.

Georgia State Comptroller

Zack D. Cravey, State comptroller, Atlanta, Ga., held 10,000 long September 17, bought 5,000 September 20.

Williston L. Dye, United States Navy, Washington, held 11,000 long September 17, sold 6,000 September 18, sold 5,000 September 19.

W. A. and Mrs. C. A. Eaton, United States Navy commander, Arlington, Va., held 5,000 long September 17.

Herbert and Mrs. M. A. Franzen, farm credit examiner, St. Paul, Minn., held 10,000 long September 17, bought 10,000 and sold 10,000 September 18, bought 5,000 September 19, sold 5,000 September 20.

TRUMAN SEEKS MORE POWER, TAFT ASSERTS

Senator Predicts Demand For Greatest Peacetime Control U.S. Has Faced

Kansas City, Dec. 29 (AP)—Senator Robert A. Taft, of Ohio, declared tonight that the Federal Government "does not need the police-state powers which the President demands" to check inflation.

"It can stop the increase in prices if it really wants to stop it," he said in an address before a mass meeting of Republicans on his two-day swing into the home State of President Truman.

"The Republican approach," the presidential aspirant said, "is to solve this inflation crisis by getting at the causes, by pursuing sound policies in the ordinary conduct of Government, by spending less and taxing less and preventing inflation. The Democrats want more power to impose arbitrary controls which won't work."

Terms Leadership Lacking

He declared that when Congress returns to Washington "we face a demand from the President for the greatest possible peacetime control over economic freedom which this country has ever faced," but added that Republicans believe it is not power that the Government lacks, but the ability to furnish leadership."

"The New Deal remedy, backed by the Political Action Committee and therefore by the President, is to solve every problem by creating a Federal bureau and give it more power and more money," he continued. "If anything goes wrong, pass a new law! This has always been the policy of the New Dealer."

The great issue in the election next November, he said, is whether the American people desire to set up a "totalitarian government, a state which will direct every detail in the lives of its citizens."

Three Fields Cited

The Ohio Republican set forth three fields in which the Government has "jurisdiction and responsibility" and suggested to "wait until it performs in its proper field before we extend it further."

The first of these, he said, is the "terrific job of conducting our foreign relations and defending the freedom of this country," a job which "certainly is enough to keep any government busy."

"Our Government today," he added, "could assume the moral leadership of the world because of our tremendous power in war and the prestige it has given us. If the Government could lead us to a world ruled by justice and peace, it would do more for the welfare of our people than can be done by all the new powers sought at home."

Calls Policy Stupid

In connection with foreign relations, Taft said "our stupid policy in Germany is costing us today nearly a billion dollars a year. We have lost all moral leadership by the abandonment of the ideals of the Atlantic Charter. American dollars alone cannot save the world without more ability and common sense in the Administration."

The second field, Taft described as one where the Federal Government "can give moral leadership at home in many fields where it does not have and should not have power to regulate."

30.24- 14531

"Can Set Example"

"The Federal Government can set an example of honesty in public office, of scientific and logical approach to problems of Government in place of demagoguery and propaganda, of business-like management.

"It ought to be asked to improve its present actions before it seeks to expand its powers."

He listed the third field as interstate commerce, but emphasized that the principal function of Government in this field "ought to be to keep interstate business moving without confusion, to keep competition free, to keep employment free, and to see that the great economic machine operates steadily without abuse or favoritism and without stoppage."

The problem, Waymack insisted, is to work out a satisfactory balance. And the answer isn't likely to come easily, for the atomic problem runs over and far beyond the realm of science.

There's No Single, Simple Secret To the Atom Bomb, Expert Says

DEC 30 1947

CHICAGO, Dec. 29. — (AP) A member of the Atomic Energy Commission tonight declared that "there isn't any single, simple secret" of the atom bomb.

"What we have," said W. W. Waymack, " is a lot of pieces of information, scientific and technical, which when put together constitute our American lead.

"If it is to be thought of as a jig-saw puzzle, it has to be thought of as a different jig-saw puzzle each day. For new pieces have to be added and the picture has to change constantly or the lead would be lost."

In his speech before the American Association for the Advancement of Science, Waymack noted that many people seem to think this nation has two choices:

(A) It can give the atom bomb secret away, or (B) It can keep it.

Actually, said Waymack, we should not decide to travel either road exclusively.

"A rational man," he said, "doesn't elect to sit down permanently on either of two sharp horns."

Too much secrecy, Waymack said, would mean that scientists wouldn't know what each other was up to. This could "delay our own progress toward further achievement, whether for peace or war."

On the other hand, Waymack declared "no sensible person that I know of wants to help a potential enemy nation to catch up with us atomically."

The three came here by train from Philadelphia, where they arrived yesterday on a Dutch airline Constellation plane.

The Mayor said at Philadelphia that the present Arab-Jewish conflict in Palestine is "greatly exaggerated."

Calls Shootings Isolated

"There are isolated shooting incidents between various groups, but nothing approaching warfare," the 51-year-old Mayor said.

Rokach said he wants to tell President Truman and the American people about the conditions in the Holy Land during a tour of the country.

An official greeting by Mayor William O'Dwyer in front of the City Hall was on the visitor's schedule today.

Harzfeld made the trip to advise on specific procedure for partition of Palestine.

routed to National Airport at Washington yesterday.

Trans World Airline officials at Washington said more large groups of GI war brides and fiancées were expected before midnight Wednesday when the law prividing free entry expires.

The girls who arrived yesterday were chaperoned in small groups to New York, from where they will travel to their future homes in various parts of the country.

MISSION TO GO TO LIBERIA

Stettinius' Company Will Send Five on Economic Survey

DEC 30 1947

Edward R. Stettinius Jr., chairman of the board of the newly formed Liberia Company, announced yesterday that five executives would leave next month for Liberia to study its economic potential.

The company was organized in September, with $1,000,000 working capital, through an agreement between the former Secretary of State and the Liberian Government. Its purpose is to develop the natural resources of the Negro republic with private American capital and business "know-how."

The five executives who will go on the "fact-finding" mission are: David H. Sulzberger, Kenneth J. Kadow, Rothwell Sheriff, Austin Brockenbrough and George A. Green.

DEC 30 1947

Neither Arabs Nor Jews Want War, Rokach Says

New York, Dec. 29 (AP)—Neither Arabs nor Jews want warfare in the Holy Land, says Mayor Israel Rokach of the all-Jewish city of Tel Aviv, and "the present Arab attacks are the handiwork of hired hands directed by intriguing politicians."

DEC 30 1947

"Palestine Jewry is most reluctant to have a conflict or to enter into open warfare with the Arabs," he said in a statement released in his behalf last night by the Jewish National Fund of America.

"I am a descendant of a family which has lived in Palestine for more than 100 years and has maintained most friendly relations with our Arab neighbors.

Says Arabs Want Peace, Too

"I know that our Arab neighbors are also averse to such conflict. . . . At all events, we, the Jews of Palestine, will know how to defend our lives and our national status.

"Naturally, we shall need and have every right to expect and receive the co-operation and armament to which we are entitled by virtue of the (partition) decision of the United Nations."

Mayor Rokach came here to attend a Jewish National Fund conference to be held the first week in January. Accompanying him were his wife and Abraham Harzfeld, Palestine labor leader and colonization expert.

Italian Girl, 14, Arrives To Wed U.S. Officer

DEC 30 1947

New York, Dec. 29 (AP)—First Lieutenant Ralph H. Bassett, Jr., 24, of New York, and 14-year-old Italian Luciana Parri, the youngest of twoscore Italian and Greek war brides and fiancées who arrived by plane in Washington yesterday, say they plan to be married January 1 or 2.

The lieutenant and his bride-to-be were reunited here last night at an airline office and left for the apartment of Bassett's mother.

Bassett, who left Leghorn, Italy, December 1 to come here on leave, said he met his bride-to-be a 5-foot 2-inch brunette, at an officers' dance in February, 1946. She said at first she was 17 but later revealed her true age, he added.

Bassett and his bride-to-be plan a wedding trip to California. He expects to be assigned to the Aberdeen Proving Ground in Maryland after his leave expires.

Because of snow conditions at La Guardia Field, New York, planes from Athens and Rome were re-

This was the first time a member of the United Nations had invoked the measure, which was adopted unanimously after Russia had given up her efforts to push through a resolution charging the United States, Greece and Turkey with "warmongering."

Greece also charged Yugoslavia with violating the Assembly's Balkan resolution which forbids Greece's northern neighbors from giving aid to Greek guerrillas.

Asks Note Be Circulated

The new Greek move was disclosed by Alexis Kyrou, Greek delegate, who said he had sent a formal note of protest to the secretary general, Trygve Lie, this morning together with a request that the note be circulated to all members of the United Nations.

While the Greek note did not call for any specific United Nations action at this time, it was reliably reported that the Athens Government is considering further steps. Kyrou said the special United Nations Balkan Commission was being informed of developments.

The United Nations already has received a report from the commission that the Greek Government has informed it of the formation of a guerrilla government in northern Greece by Gen. Markos Vifiades. The commission said the matter is being considered by a subcommittee.

Today's note charged that the Belgrade radio has broadcast reports on the formation of the guerrilla government and had broadcast attacks on the Athens Government

Greeks File U.N. Charge Of Slav Warmongering

DEC 30 1947

Note Accuses Belgrade Of Broadcasting Attacks On Government And Aiding Guerrillas

Hanelson

Lake Success, N.Y., Dec. 29 (AP)—Greece formally charged Yugoslavia today with violating the "anti-warmonger" resolution adopted by the United Nations Assembly at its recent session.

by Greek Communist leaders. These broadcasts, the note said, constituted violations of the two Assembly resolutions.

Further Vetoes Feared

Greek leaders were reported reluctant to bring a new complaint before the Security Council for fear of further Soviet vetoes. The Balkan problem was taken to the General Assembly last fall by the United States after repeated Soviet vetoes had blocked action in the Security Council.

One informed source said the Athens Government is considering a formal request that the Balkan Commission use its authority to recommend a special session of the Assembly.

Another move reported to be under consideration is a request for the newly created "Little Assembly" to take up the problem.

DEC 30 1947

Complaint To U.N.

Lake Success, N.Y., Dec. 29 (AP)—Alexis Kyrou, Greek delegate to the United Nations, said today he had sent a formal message to Secretary General Trygve Lie charging the Yugoslav Government with violating the General Assembly's recent anti-warmonger resolution.

Kyrou declared that the Yugoslav radio had supported the newly formed guerrilla regime in northern Greece and had attacked the Athens Government.

NIGHT LEAD GREEK (WITH ATHENS) (180)

LONDON, DEC.29-(AP)-RECOGNITION BY ANY NATION OF THE COMMUNIST STATE PROCLAIMED IN GREECE BY GEN.MARKOS VAFIADES WOULD CAUSE A "GRAVE DETERIORATION IN THE WORLD SITUATION," THE BRITISH FOREIGN OFFICE SAID TODAY.

THE COMMUNIST PRESS IN FRANCE AND ELSEWHERE IN EUROPE HAS PREDICTED THAT STATES WITHIN THE SOVIET SPHERE OF INFLUENCE WOULD EXTEND RECOGNITION TO THE VAFIADES REGIME.

THE BRITISH STATEMENT, VOLUNTEERED BY A FOREIGN OFFICE SPOKESMAN AT A NEWS CONFERENCE, WAS INTERPRETED AS A WORD OF CAUTION AGAINST SUCH A STEP. IT WAS BELIEVED PARTICULARLY DIRECTED AT GREECE'S NORTHERN NEIGHBORS--YUGOSLAVIA, ALBANIA AND BULGARIA--WHICH HAVE BEEN ACCUSED ALREADY IN THE UNITED NATIONS OF GIVING MILITARY AID TO VAFIADES' COMMUNIST-LED GUERRILLAS.

THE SPOKESMAN DID NOT INDICATE WHAT ACTION THE BRITISH WOULD TAKE IN EVENT OF RECOGNITION.

ANOTHER GOVERNMENT INFORMANT SAID THAT BRITISH-AMERICAN EXCHANGES WERE TAKING PLACE IN ATHENS AND BETWEEN LONDON AND WASHINGTON ON "AN URGENT BASIS." THE FOREIGN OFFICE SPOKESMAN SAID HE COULD GIVE NO DETAILS OF THESE TALKS.

THE SPOKESMAN SAID HE KNEW OF NO PLANS TO INCREASE THE NEARLY 5,000-STRONG BRITISH MILITARY FORCE STILL IN GREECE.

JA310PES

RECENTLY DR. GEOFFREY FISHER, ARCHBISHOP OF CANTERBURY, IN A PUBLIC REBUKE OF JOHNSON DISCLAIMED RESPONSIBILITY FOR THE DEAN'S LEFTIST UTTERANCES.

"IN MY EARLIER REPLY TO THE ARCHBISHOP," JOHNSON SAID, "I URGED THAT SOCIALISM WAS IN MY VIEW NOT ONLY SCIENTIFIC BUT THE LOGICAL CONSEQUENCE IN OUR AGE OF CHRISTIAN MORALITY."

DEC 30 1947

PARIS, DED. 29-(AP)-SEN. ALBEN W. BARKLEY (D-KY) SAID TODAY HE WAS IMPRESSED WITH THE EFFORTS OF THE PRESENT FRENCH GOVERNMENT TO COPE WITH CONDITIONS HERE AND ADDED THE PRIME FACTORS PREMIER ROBERT SCHUMAN'S CABINET FACE ARE "STABILIZATION OF THE BUDGET AND RISING PRICES."

BARKLEY, WHO CAME HERE CHRISTMAS DAY EN ROUTE TO GREECE, SAID HE WAS UNABLE TO REACH ATHENS BECAUSE OF TRANSPORTATION DIFFICULTIES. THE KENTUCKY DEMOCRATIC LEADER WILL LEAVE FOR GERMANY TOMORROW, SPENDING TWO DAYS IN BERLIN AND FRANKFURT, THEN RETURNING TO PARIS, FROM WHERE HE WILL LEAVE FOR THE UNITED STATES.

DEC 30 1947

RP954PES

PARIS--FIRST ADD RUSSIAN (A173) XXX THE BARGAIN.

THE ANNOUNCEMENT DID NOT SAY WHETHER RUSSIA ACTUALLY HAD DELIVERED THE PRODUCTS. IT SPECIFIED ONLY THAT THEY HAD BEEN "MADE AVAILABLE."

IT SAID THE PRODUCTS INCLUDED 10,000 TONS OF WHEAT, 3,000 TONS OF GASOLINE AND 5,000 TONS OF DIESEL OIL, THE REST BEING UNTRIMMED LUMBER AND MINE PIT PROPS, ADDING:

DEC 30 1947

FRANCE WILL RECEIVE 4,104 TONS OF THE WHEAT, BRITAIN AND THE UNITED STATES 1,709 TONS EACH, CZECHOSLOVAKIA 770, BELGIUM 694, INDIA 513 AND HOLLAND 501 TONS.

OF THE GASOLINE AND DIESEL OIL, A TOTAL OF 4,531 TONS WILL GO TO THE UNITED STATES, 2,232 TO BRITAIN AND 1,227 TO YUGOSLAVIA.

THE WOOD WILL BE DIVIDED AMONG EGYPT, GREECE, BRITAIN AND HOLLAND.

WITHOUT EXPLANATION THE FOREIGN AFFAIRS MINISTRY LATER ISSUED A COMMUNIQUE CANCELING THE ANNOUNCEMENT ABOUT HOUR AFTER IT WAS MADE. BUT 20 MINUTES AFTER THAT, A THIRD BULLETIN SAID THE ANNOUNCEMENT COULD BE USED AS IT STOOD.

JA335PES

PARIS, DEC.29-(AP)-FRANCE PLANS AN ARMY OF 323,832 MEN FOR 1948, AN INCREASE OF 39,243 OVER 1947, M[illegible]EJEUNE TOLD THE NATIONAL ASSEMBLY'S FINANCE COMMITTEE TODAY. LEJEUNE, A SOCIALIST DEPUTY, WAS [illegible]AKING FOR PREMIER ROBERT SCHUMAN'S COALITION CABINET. TOTAL [illegible]PENDITURES FOR THE YEAR ARE EXPECTED TO EXCEED 280,000,000,0[illegible] (BILLION) FRANCS ($2,353,000,000).

N957AES

DEC 30 1947

FIRST LEAD FRIENDSHIP TRAIN

(ADVANCE) NAPLES, ITALY, DEC.29-(AP)-U.S.AMBASSADOR JAMES C.DUNN, IN AN ADDRESS WELCOMING THE FIRST "FRIENDSHIP TRAIN" SHIPMENT OF FOOD FROM AMERICA, SAID TODAY THAT THE GIFT CAME "FROM THE HEARTS OF MY FELLOW CITIZENS IN THE UNITED STATES."

THE AMERICAN STEAMSHIP EXIRIA ARRIVED HERE YESTERDAY WITH 1,251 TONS OF GIFT FOOD.

DEC 30 1947

"IN SENDING YOU THIS FOOD," THE ENVOY SAID, "THE AMERICAN PEOPLE ARE CLEARLY TELLING YOU THAT THEY ARE CONFIDENT THAT THE ITALIAN PATIENCE AND WILL TO LABOR WILL MAKE ITALY ONCE AGAIN THE FRUITFUL AND PRODUCTIVE LAND IT HAS BEEN RECOGNIZED TO BE FOR 2,000 YEARS."

EMPHASIZING THAT THE FOOD WOULD BE DISTRIBUTED ON THE BASIS OF NEED "WITHOUT REGARD TO POLITICAL CREED OR RELIGIOUS FAITH," AND THAT CHILDREN WOULD BE FAVORED, THE AMBASSADOR HAILED THE "NEW DIRECT RELATIONSHIP" BETWEEN THE TWO PEOPLES WHO, HE SAID, HAD RENEWED "THEIR TRADITIONAL FRIENDSHIP AND UNDERSTANDING."

ITALIAN OFFICIALS PARTICIPATED WITH DUNN IN THE CEREMONIES.

DREW PEARSON, WASHINGTON COLUMNIST WHO FATHERED THE IDEA OF THE GIFTS FROM AMERICA, ITALIAN VICE PREMIER RANDOLFO PACCIARDI AND THE MINISTER OF MERCHANT MARINE, PAOLO CAPPA, WERE AMONG THOSE WHO CAME WITH DUNN BY SPECIAL TRAIN FROM ROME.

A COLD DRIZZLE FELL DURING THE CEREMONY.

THE FOOD WAS HANDED OVER TO AMERICAN AND ITALIAN WELFARE AGENCIES FOR DISTRIBUTION. THREE THOUSAND ORPHANS, CARRYING SMALL PAPER U.S. AND ITALIAN FLAGS, WERE GROUPED ABOUT THE PLATFORM.

30.24- 14533

UNLOADING BEGAN AS SOON AS THE EXIRIA DOCKED. THE GIFT FOOD WILL BE DISTRIBUTED AMONG ORPHANAGES, OLD PEOPLE'S HOMES, INSTITUTIONS FOR THE BLIND AND MENTALLY DEFECTIVE, AND THE WAR WOUNDED. SHIPMENTS WILL LEAVE BY TRAIN WEDNESDAY FOR ROME, FLORENCE, BOLOGNA, MILAN, UDINE AND GORIZIA.

ON JAN. 7 ANOTHER SHIP IS SCHEDULED TO ARRIVE WITH FOOD.

CHARLES E. REILLY, 37, OF (5 S. MAPLE AVE.) EAST ORANGE, N.J., CAPTAIN OF THE EXIRIA, RECALLED HIS LAST TRIP TO NAPLES IN NOVEMBER, 1943, WHEN HE DELIVERED SHERMAN TANKS AND EXPLOSIVES FOR THE ALLIED DRIVE UP THE PENINSULA.

DEC 30 1947

MK727AES

(THE OFFICE HAD NO INFORMATION ON JETER, THE ONLY ONE OF THE THREE NOT ATTACHED TO THE LAKEHURST SQUADRON.

(IT SAID LAMM, A WORLD WAR II VETERAN IN THE SERVICE SIX OR SEVEN YEARS, WAS SURVIVED BY A WIDOW, VICTORIA, IN LAKEHURST, AND A BROTHER, BARNEY, IN KENORA, ONT., IN ADDITION TO HIS PARENTS.

(THE OFFICE SAID BUTLER LEFT A WIDOW, HELEN ANN, IN CASSVILLE.)

WITNESSES SAID ONE OF THE THREE MEN SURVIVED THE CRASH FOR A FEW HOURS BUT DIED WHILE BEING TAKEN ACROSS THE BAY TO THE MIDWAY.

THE ACCIDENT OCCURRED A FEW HUNDRED YARDS FROM THE "FRIENDSHIP TRAIN" FOOD SHIP EXIRIA.

DEC 30 1947

RP819PES

NAPLES, ITALY---NIGHT LEAD HELICOPTER (B54) INSERT AFTER FOURTH GRAF "(MR AND MRS. X X X THE CRASH."

(IN KILGORE,TEX., MRS.O.M. JETER SAID SHE HAS BEEN NOTIFIED BY THE NAVY THAT HER SON, LT.(JG) JACK JETER, 25, WAS KILLED IN THE CRASH. THE MESSAGE SAID HE WAS A PASSENGER.

DEC 30 1947

(THE PUBLIC RELATIONS ETC PICKING UP FIFTH GRAF PVS THE A.P.

JM759PCS

ROME, DEC. 29-(AP)-THE ITALIAN NEWS AGENCY ANSA REPORTED FROM CATANZARO IN FAR SOUTHERN ITALY TODAY THAT 300 MINERS AND OF SAN NICOLA DELL ALTO HAD OCCUPIED A SULPHUR MINE, CLOSED BY ITS DIRECTORS, AND SAID THEY WOULD BEGIN WORKING IT TOMORROW. THE AGENCY SAID NO SERIOUS INCIDENTS HAD OCCURRED.

DEC 30 1947

ANSA SAID THAT IN LEGHORN, EMPLOYES OF THE NATIONAL INSTITUTE FOR SOCIAL ASSISTANCE STRUCK FOR BETTER WORKING CONDITIONS.

APL BRUTTOS 0003C [illegible]

MUNICH, GERMANY, DEC. 29-(AP)-DR. RUDOLF PAUL, EXILED MINISTER PRESIDENT OF THURINGIA IN THE SOVIET OCCUPATION ZONE, SAID TONIGHT THE LONDON [redacted] CONFERENCE WAS DOOMED FROM THE START BECAUSE "THE COMMUNISTS KNOW" IT IS IMPOSSIBLE TO FORM A COMMUNIST STATE IN A UNIFIED GERMANY.

DEC 30 1947

HE SAID IN AN INTERVIEW THAT EVER SINCE FLEEING THURINGIA SEPT. 1 HE HAD KNOWN THE RUSSIANS WOULD TORPEDO THE FOUR-POWER CONFERENCE BUT HE HAD KEPT SILENT RATHER THAN CAST ANY SHADOWS ON IT.

(THE CONFERENCE BROKE UP DEC. 15. UNIFICATION OF GERMANY WAS ONE OF THE MAJOR ISSUES LEFT UNSETTLED.)

HIDDEN AWAY IN A MUNICH HOTEL, HE SAID HE HAD BEEN IN FEAR OF HIS LIFE SINCE LEAVING WEIMAR, THURINGIA'S CAPITAL. HE DEPARTED THIS CITY TONIGHT AFTER A THREE-DAY STAY AND INDICATED HE WOULD LIVE IN A SMALL BAVARIAN VILLAGE, AS UNOBTRUSIVELY AS POSSIBLE.

PAUL, WHO IN THURINGIA WAS A MEMBER OF THE COMMUNIST-INSPIRED SOCIALIST UNITY (SED) PARTY, DECLARED THE PARTY WAS STRIVING TO SPLIT GERMANY AND PLAYING MOSCOW'S GAME RATHER THAN GERMANY'S.

HE TOLD REPORTERS EVERY GERMAN IN THE RUSSIAN ZONE WHO WAS NOT A COMMUNIST WAS "AFRAID." HE SAID THERE HAD BEEN 400 "POLITICAL MURDERS" IN GERMANY DURING THE EARLY DAYS OF THE WEIMAR REPUBLIC, AFTER WORLD WAR I, AND THAT KIND OF STRIFE WAS HIGHLY POSSIBLE TODAY.

HE SAID HE HAD BEEN FOOLED BY THE SED IN THE BEGINNING OF THE SOVIET OCCUPATION BUT ONE EXPERIENCE AFTER ANOTHER SHOWED HIM THE COMMUNISTS WERE WORKING AGAINST GERMANY'S INTERESTS.

PAUL SAID GERMAN MINISTERS HENCEFORTH WOULD HAVE DIFFICULTY LEAVING THE RUSSIAN ZONE AS HE DID. THE RUSSIANS NOW REQUIRE EACH MINISTER TO BE ACCOMPANIED BY A SOVIET OFFICER ON TRAVELS, HE SAID, AND [redacted] DO NOT ALLOW THE MINISTERS TO [redacted] TAKE THEIR WIVES ALONG.

HE DECLARED HE WAS AFRAID TO DISCUSS THE INNER WORKINGS OF THE SOVIET-GERMAN SETUP ON THE GROUNDS IT MIGHT ENDANGER PERSONS LIVING IN THE RUSSIAN ZONE.

DEC 30 1947

with alexandria

DEC 30 1947

lisbon, portugal, dec. 29-(ap)-umberto, son of former king vittorio emanuele III of italy, left by TWA plane early today for cairo to attend funeral services for his father who died yesterday at his villa in alexandria.

WITH PALESTINE
SOFIA, BULGARIA, DEC. 29-(AP)-A RELIABLE JEWISH SOURCE SAID TODAY 620 JEWS--MEN, WOMEN AND CHILDREN--LEFT SOFIA SATURDAY FOR PALESTINE. A GOVERNMENT OFFICIAL SAID THE GROUP HAD THE FULL ASSISTANCE OF THE BULGARIAN GOVERNMENT.
HJ921PES

DEC 30 1947

30.24- 14535

BY L.S.CHAKALES (380)

ATHENS, DEC. 29-(AP)-THE ANNOUNCEMENT THAT JOHN IOANNIDES IS DEPUTY PREMIER AND INTERIOR MINISTER OF THE NEWLY PROCLAIMED COMMUNIST GUERRILLA "GOVERNMENT" IN NORTHERN GREECE HAS DRAWN ATTENTION ANEW TO GREEK GOVERNMENT ASSERTIONS THAT HE HAS SUPPORTED RUSSIAN ASPIRATIONS FOR CONTROL OF THE DARDANELLES.

THE GREEK GOVERNMENT HAS PUBLISHED WHAT IT ASSERTS IS A PACT BETWEEN THE GREEK AND BULGARIAN COMMUNIST PARTIES SIGNED JULY 13, 1943, BY IOANNIDES AND A BULGARIAN COMMUNIST LEADER, DUSAN DASKALOV, SPECIFYING THAT "ISTANBUL AND THE STRAITS OF THE DARDANELLES SHALL FORM AN INDEPENDENT AND AUTONOMOUS REPUBLIC UNDER THE CONTROL OF THE U.S.S.R. OF RUSSIA." THESE AREAS NOW ARE TURKISH.

THIS ALLEGED PACT FIRST WAS PUBLISHED IN 1945 AND HAS BEEN REFERRED TO SEVERAL TIMES SINCE AS THE PETRITSI AGREEMENT. ITS FULL TEXT WAS REISSUED IN JUNE, 1947, BY THE GREEK PRESS MINISTRY IN A BLUE BOOK ENTITLED "CONSPIRACY AGAINST GREECE." THE AGREEMENT PREVIOUSLY HAD BEEN GIVEN TO THE UNITED NATIONS BALKAN INVESTIGATING COMMISSION.

THE GOVERNMENT SAYS THE "PETRITSI AGREEMENT" WAS FOUND IN COMMUNIST ARCHIVES IN A CAPTURED VILLAGE. IT CALLS FOR A GENERAL REDRAWING OF BALKAN FRONTIERS.

THE TEXT OF THE COMMUNIST ACCORD, AS PUBLISHED BY THE ATHENS PRESS MINISTRY, INCLUDED SIX POINTS:

"1. THE FINAL OBJECTIVE OF BOTH PARTIES IS THE ESTABLISHMENT OF A UNION OF SOVIET REPUBLICS IN THE BALKANS, INCLUDING GREECE, MACEDONIA AND SERBIA.

"2. THE COMMUNIST PARTIES OF GREECE AND BULGARIA ARE FREE TO DECIDE UPON THE TACTICS OF THEIR ACTIVITIES TENDING TOWARD THIS FINAL OBJECTIVE AS BEST THEY DEEM.

A19 DEC 30 1947

"3. THE TWO PARTIES SHALL WORK FOR THE SECURITY OF NORTHERN FRONTIERS WITH A VIEW OF ATTAINING THE DANUBE AND ENDING NORTH OF FIUME ON THE ADRIATIC SEA.

"4. BULGARIA SHALL BE GIVEN A TERRITORIAL OUTLET TO THE AEGEAN.

"5. ISTANBUL AND THE STRAITS OF THE DARDANELLES SHALL FORM AN INDEPENDENT AND AUTONOMOUS REPUBLIC UNDER CONTROL OF THE U.S. '.R. OF RUSSIA.

"6. GREEK, BULGARIAN AND SERBIAN MACEDONIA--THAT IS,THE TERRITORY BETWEEN THE RIVER NESTOS, MT.RODOPE, THE RYLA MOUNTAINS AND OSNIKOF SAR (SKARDOS) TO THE NORTH, THE ALBANIAN ALPS AND PINDUS TO THE WEST, MT.OLYMPUS AND THE AEGEAN INCLUDING THE ISLAND OF THASOS TO THE SOUTH--SHALL CONSTITUTE AN INDEPENDENT AUTONOMOUS SOVIET REPUBLIC WITH THE BALKAN U.S.S.R."

THE PURPORTED AGREEMENT WAS WRITTEN IN BOTH BULGARIAN AND GREEK.

ATHENS INFORMANTS SAY IOANNIDES HEADS THE UNDERGROUND MECHANISM OF THE COMMUNIST PARTY IN GREECE INCLUDING ITS TERROR SQUADS, OPERATES DIRECTLY UNDER ORDERS OF MOSCOW SECRET POLICE, AND HAS UNRESTRICTED POWER IN ORDERING ARRESTS AND EXECUTIONS.

WS&B50CBES

JERUSALEM, DEC.29-(AP)-A UNIFORMED BAND OF MEN -- BELIEVED BY POLICE TO BE MEMBERS OF THE JEWISH UNDERGROUND -- STORMED THE BRITISH ARMY'S TEL LITWINSKY CAMP NEAR TEL AVIV TODAY, KILLED ONE BRITISH SOLDIER AND FLED WITH A LARGE NUMBER OF GUNS.

THE ATTACKERS -- WHO WORE BATTLE DRESS AND STEEL HELMETS -- ENTERED THE CAMP BY CUTTING BARBED WIRE BARRICADES AND THEN ATTACKED THE ARMORY UNDER COVER OF HEAVY FIRE, POLICE SAID.

POLICE ESTIMATED THAT THE WEAPONS STOLEN INCLUDED 74 RIFLES AND SEVEN STEN GUNS, PLUS 3,000 ROUNDS OF AMMUNITION.

JT441AES

A29 Jerus 6th Ty esc DEC 30 1947

DISPATCHES FROM ISTANBUL REPORTED THAT TWO MORE LARGE CARGO SHIPS LOADED WITH 11,840 JEWISH REFUGEES, HAD PASSED THROUGH THE BOSPHORUS YESTERDAY EN ROUTE FROM BULGARIA TO PALESTINE.

IF -- AS SEEMED APPARENT -- THE JEWISH AGENCY'S ATTEMPTS TO HALT ILLEGAL IMMIGRATION WERE BEING OVER-RIDDEN, THIS MIGHT REFLECT CONSIDERABLE STRENGTH IN SNEH'S POSITION AND HE MIGHT CONCEIVABLY BE ABLE TO RETURN TO THE EXECUTIVE WITH AN INCREASED VOICE IN ITS LEADERSHIP.

SUCH A MOVE, SOME OBSERVERS BELIEVE, WOULD UNDERSCORE FEARS RECENTLY EXPRESSED IN AMERICA THAT THE PARTITIONING OF PALESTINE MIGHT BE OPENING THE FIELD FOR SOVIET INFLUENCE HERE -- ALTHOUGH SO FAR THE AGENCY HAS STEERED REASONABLY CLEAR OF INTERNATIONAL POLITICS AND HAS STUCK MAINLY TO THE FIGHT FOR A JEWISH STATE.

THE MOST SERIOUS OUTBREAK OF VIOLENCE IN THE HOLY LAND YESTERDAY OCCURRED WHEN HAGANA GRENADE THROWERS AND TOMMYGUNNERS ATTACKED ARABS IN THE JERUSALEM SUBURB OF ROMEMA DURING MASS FUNERAL SERVICES FOR SEVEN JEWS KILLED EARLIER BY ARAB SNIPERS.

EIGHT ARABS AND TWO JEWS DIED IN THE RESULTANT BATTLE. HAGANA SOURCES SAID LATER THAT THE ATTACK WAS PART OF A PROGRAM CALLING FOR AT LEAST ONE REPRISAL RAID DAILY BY THE JEWISH UNDERGROUND ARMY.

THE JERUSALEM-JAFFA HIGHWAY WAS THE SCENE OF ANOTHER VIOLENT EPISODE YESTERDAY WHEN THREE ARABS WERE KILLED BY BOMBS HURLED INTO A HOUSE WHICH HAGANA SPOKESMEN SAID HAD BEEN A HEADQUARTERS FOR ARAB ATTACKS ON JEWISH FOOD CONVOYS.

AT ACRE PRISON A BRITISH SERGEANT WAS KICKED TO DEATH BY ARAB PRISONERS INFURIATED BY THEIR FAILURE TO EFFECT A MASS PRISON BREAK. ONE ARAB WAS WOUNDED BY GUNFIRE FROM GUARDS, WHO RECAPTURED ALL BUT ONE OF THE PRISONERS.

THE REMAINING SABBATH FATALITIES OCCURRED IN ISOLATED OUTBREAKS.

BD411AES

JERUSALEM, DEC 29-(AP)-AN ARMY OFFICER WHO SAW THE JEWISH ATTACK ON ARABS IN THE ROMEMA QUARTER OF JERUSALEM YESTERDAY SAID TODAY "THE ATTACKERS USED A RED SHIELD AMBULANCE, OBVIOUSLY PREVIOUSLY ARRANGED, AS AN ESCAPE VEHICLE." DEC 30 1947

"WE SAW THEM TOSS GRENADES AND OPEN FIRE WITH STEN GUNS, THEN RUN DOWNHILL INTO A SIDE STREET," THE OFFICER TOLD A REPORTER. "THERE ABOUT FOUR OR FIVE OF THEM PILED INTO AN AMBULANCE, WHITE WITH A RED EMBLEM ON IT, AND DROVE AWAY."

THE JEWISH AGENCY, WHICH COMPLAINED 48 HOURS EARLIER TO THE PALESTINE GOVERNMENT THAT THE ARABS HAD FIRED ON AMBULANCES, DESCRIBES THE RED SHIELD SOCIETY AS "EQUIVALENT TO THE INTERNATIONAL RED CROSS."

G11AES

NIGHT LEAD WAR TRIAL (160)

TOKYO,TUESDAY,DEC.30-(AP)-HIDEKI TOJO, JAPAN'S PREMIER WHEN PEARL HARBOR WAS BOMBED, TESTIFIED TODAY THE LACK OF ANY DECLARATION OF WAR WAS THE FAULT OF HIS FOREIGN MINISTER. HE ACKNOWLEDGED, HOWEVER, THAT THE LATTER DID NOT KNOW WHEN THE ATTACK WAS TO BEGIN.

THE FOREIGN MINISTER, SHIGENORI TOGO, TOLD THE INTERNATIONAL WAR CRIMES COURT LAST WEEK THAT HE ALONE HAD INSISTED ON DECLARING WAR ON THE UNITED STATES--IN ACCORDANCE WITH INTERNATIONAL LAW--AND THAT HE HAD BEEN DOUBLECROSSED BY THE JAPANESE MILITARISTS. RESULT: NO WARNING.

EX-PREMIER TOJO'S TESTIMONY, BEING READ TODAY BY HIS ATTORNEY, SAID HE WISHED TO CORRECT AN EARLIER STATEMENT THAT TOGO KNEW IN ADVANCE THE TIME SET FOR THE SNEAK ATTACK ON PEARL HARBOR. IT WAS "A MIS-RECOLLECTION ON MY PART, AND THEREFORE I WISH TO CORRECT IT NOW..." TOJO'S LONG DEPOSITION EXPLAINED.

HE INSISTED, HOWEVER, THAT HIS CABINET HAD RELIED ENTIRELY ON FOREIGN MINISTER TOGO TO DECLARE WAR AHEAD OF THE ATTACK, "AND IT WAS A MATTER OF GREAT REGRET TO THE JAPANESE GOVERNMENT UPON LEARNING SUBSEQUENTLY THAT ACTUAL DELIVERY OF THE NOTE WAS DELAYED."

JM1127PCS

DEC 30 1947

TOKYO, DEC.29-(AP)-U.S. ARMY AND AIRFORCE AUTHORITIES DECLINED COMMENT TODAY ON A RUSSIAN PROTEST THAT AMERICAN PLANES FROM JAPAN VIOLATED BOUNDARIES OF THE NEARBY KURILE ISLANDS, HELD BY THE SOVIETS.

AUTHORITIES INTIMATED ANY OFFICIAL STATEMENT WOULD HAVE TO COME FROM THE ARMY DEPARTMENT, TO WHICH WASHINGTON DIPLOMATS SAID THE SOVIET COMPLAINT WAS REFERRED. DIPLOMATIC AUTHORITIES IN WASHINGTON SAID IT INVOLVED ONLY LOCAL ISSUES WHICH NORMALLY COULD BE SETTLED BY MILITARY COMMANDERS ON THE SPOT.

IN AT LEAST ONE INSTANCE, AN AMERICAN AIRCRAFT HAS FLOWN OVER THE KURILES. THAT WAS IN THE SPRING OF 1946, WHEN A C-46 FLEW FOUR CORRESPONDENTS OVER THE SOUTHWESTERN KURILES.

PREVIOUS RUSSIAN PROTESTS HAVE CHARGED AMERICAN FLIERS IN KOREA CROSSED THE 38TH PARALLEL, DIVIDING THE U. S. AND RUSSIAN OCCUPATION ZONES.

AT LEAST TWO RUSSIAN AIRCRAFT LANDED IN THE AMERICAN ZONE IN KOREA WITHOUT PROPER NOTIFICATION. IN BOTH CASES, THE PLANES WERE SERVICED BY AMERICANS BEFORE THE PILOTS RESUMED THEIR FLIGHTS.

DEC 30 1947

KURE,JAPAN,DEC.29-(AP)-A BRITISH PLANE HAS DROPPED 80,000 LEAFLETS TO ISOLATED JAPANESE FARMERS IN THE HILLS BEHIND HIROSHIMA URGING THEM TO TURN IN ANY HOARDED STOCKS OF RICE AND SWEET POTATOES, BRITISH OCCUPATION HEADQUARTERS ANNOUNCED TODAY.

THE HIROSHIMA FLIGHT WAS PILOTED BY WARRANT OFFICER TREZOMA OF RED RUTH, CORNWALL, ENGLAND. NAVIGATOR WAS FLIGHT OFFICER H.L.FORDHAM OF ILLFORD, ESSEX, AND WIRELESS OPERATOR WAS WARRANT OFFICER H. H. MOURANT OF BEAUMONT, JERSEY, CHANNEL ISLANDS.

VR431ACS

DEC 30 1947

SEOUL,KOREA,DEC.29-(AP)-AMERICAN MILITARY COURTS WILL ASSUME JURISDICTION IN THE "COLD BLOODED POLITICAL ASSASSINATION" OF CONSERVATIVE LEADER CHANG DUK SOO AND IN ALL FUTURE CASES OF THE KIND, LT.GEN.JOHN R.HODGE, COMMANDER OF U.S. OCCUPATION FORCES IN SOUTH KOREA, SAID TODAY.

HODGE DECLARED IN A PRESS STATEMENT THAT KOREAN POLICE, PROCURATORS AND JUDGES HAD BEEN SUBJECTED TO POLITICAL PRESSURE AND THREATS AGAINST THEIR LIVES. HE DID NOT IDENTIFY THE SOURCE OF THE PRESSURE OR THE THREATS.

CHANG DUK SOO WAS SLAIN DEC.2. POLICE SGT.PAK KWAN OK AND SIX CIVILIANS WERE ARRESTED IN CONNECTION WITH THE SLAYING. SEVERAL OTHER PROMINENT KOREAN POLITICIANS ALSO HAVE BEEN ASSASSINATED.

VRA29ACS

DEC 30 1947

FOLO TOKYO WAR CRIMES

SINGAPORE, DEC.29-(AP)-THE SINGAPORE FREE PRESS, GENERALLY REGARDED AS ONE OF THE MOST INFLUENTIAL NEWSPAPERS IN SOUTHEAST ASIA, SAID TODAY IN AN EDITORIAL THAT THE TOKYO WAR CRIMES TRIALS WERE A "TRAGIC FAILURE."

"IT WAS AN ACCIDENT OF POLITICAL FORTUNE WHICH THRUST UPON HIDEKI TOJO THE RESPONSIBILITY FOR WAR X X X," SAID THE PAPER. "THE REAL CRIMINAL WAS THE NATION AND ITS POLITICAL STRUCTURE."

"WHEN THE DECISION WAS REACHED NOT TO INDICT THE EMPEROR THE GROUND WAS CUT FROM UNDER THE PROSECUTION'S FEET," THE PAPER ADDED. "IMPERIAL RULE WAS PERVERTED INTO A BARBAROUS MISSION, AND THE ENTIRE JAPANESE NATION MADE THAT MISSION ITS CAUSE.

"BUT NO DOCK IN THE WORLD IS BIG ENOUGH FOR 80,000,000 GUILTY PEOPLE.

"X X X THERE IS NOT ONE WORD IN TOJO'S EVIDENCE WHICH DOES NOT STRIKE A RESPONSIVE CHORD IN EVERY JAPANESE MIND."

JP507AES

DEC 30 1947

BY HAROLD K.MILKS

NANKING,DEC 29 (AP)-HOLLINGTON TONG, THE GOVERNMENT'S OFFICIAL SPOKESMAN DECLINED TO COMMENT TODAY ON A CHARGE BY GEN.HSU CHI-MING THAT RUSSIA IS SUPPLYING ADVISERS AND SOVIET-MADE LIGHT ARMS AND COMMUNICATIONS EQUIPMENT TO CHINESE COMMUNIST ARMIES.

HSU, CHIEF OF STAFF OF CHIANG KAI-SHEK'S PEIPING HEADQUARTERS, WAS THE FIRST CHINESE IN A RESPONSIBLE PUBLIC POSITION TO MAKE SUCH AN ACCUSATION.

THERE IS A DIVISION OF OPINION ON THE QUESTION AMONG HIGH CHINESE OFFICIALS.

MOST NEUTRAL OBSERVERS IN NANKING ARE CONVINCED THE COMMUNIST HIGH COMMAND IS RECEIVING EXPERT INSTRUCTION ON OVERALL CIVIL WAR STRATEGY FROM SOURCES EXPERIENCED IN LARGE SCALE WARFARE. THEY DOUBT, HOWEVER, THAT THIS AID EXTENDS TO SUPPLYING ANY SUBSTANTIAL AMOUNT OF ARMS.

THESE OBSERVERS POINT OUT THAT THE COMMUNISTS HAVE QUANTITIES OF JAPANESE EQUIPMENT WHICH THE RUSSIANS ALLOWED TO FALL INTO THEIR HANDS IN MANCHURIA.

GG826ACS

DEC 30 1947

30.24- 14537

SECOND LEAD PALESTINE

JERUSALEM, DEC 29-(AP)-NINE PERSONS WERE KILLED TODAY IN NEW OUTBREAKS OF VIOLENCE IN PALESTINE, WHICH INCLUDED A SPECTACULAR RAID ON A BRITISH ARMY CAMP BY AN ARMED BAND -- BELIEVED TO BE JEWS -- WHOSE MEMBERS ESCAPED WITH A QUANTITY OF WEAPONS AND AMMUNITION.

A BRITISH SOLDIER, SLAIN IN THE ATTACK ON THE ARMY CAMP, WAS AMONG THE DAY'S FATALITIES, WHICH BOOSTED TO 414 THE UNOFFICIAL COUNT OF KILLINGS IN THE HOLY LAND SINCE THE UNITED NATIONS DECIDED JUST ONE MONTH AGO TO PARTITION PALESTINE.

THE DAY'S BLOODIEST EPISODE OCCURRED NEAR THE DAMASCUS GATE IN JERUSALEM, WHERE A BOMB HURLED FROM A SPEEDING TAXI KILLED SIX ARABS. THE OCCUPANTS OF THE TAXI SPRAYED THE AREA WITH MACHINEGUN FIRE AS THEY FLED.

ARABS MILLED ANGRILY AROUND THE GATE AFTER THE BOMBING, AND POLICE HASTILY RUSHED REINFORCEMENTS TO THE SCENE TO PREVENT REPRISALS.

EARLIER A JEWISH CIVILIAN WAS FATALLY WOUNDED BY A BOMB TOSSED AT THE NATIONAL BUS COMPANY OFFICES NEAR BARCLAY'S BANK AND AN ARAB CORPORAL OF THE TRANSJORDAN FRONTIER POLICE WAS SLAIN DURING A MACHINEGUN ATTACK ON A SUPPLY CONVOY IN NORTHERN GALILEE. THREE OTHER ARAB TROOPERS WERE WOUNDED IN THE CONVOY ATTACK.

THE MONTH'S DEATH TOLL RESULTING FROM COMMUNAL VIOLENCE THROUGHOUT THE ENTIRE MIDDLE EAST STOOD AT 535.

POLICE SAID THE RAID ON THE BRITISH ARMY CAMP -- SITUATED AT TEL LITWINSKY NEAR TEL AVIV -- APPARENTLY WAS CARRIED OUT BY MEMBERS OF THE JEWISH UNDERGROUND TO OBTAIN WEAPONS. THEY SAID THE RAIDERS, WHO WORE BATTLE DRESS AND STEEL HELMETS, ENTERED THE CAMP BY CUTTING BARBED WIRE BARRICADES AND THEN ATTACKED THE ARMORY UNDER COVER OF HEAVY GUNFIRE.

THE RAIDERS' LOOT WAS SAID TO HAVE INCLUDED 74 RIFLES, SEVEN STEN GUNS AND 3,000 ROUNDS OF AMMUNITION.

SCATTERED VIOLENCE X X X 6TH GRAF (A66)

DEC 30 1947

MK723AES

VITTORIO EMANUELE, ESTEEMED BY HIS PEOPLE AFTER WORLD WAR I, CAME UNDER THE DOMINATION OF MUSSOLINI IN 1922 WHEN THE LATTER MARCHED ON ROME AND THE KING SUMMONED HIM TO FORM A CABINET.

AT THE TIME MARSHAL PIETRO BADOGLIO WAS REPORTED TO HAVE ASKED THE KING TO GIVE HIM A FEW REGIMENTS TO SMASH THE BLACK SHIRT UPRISING, BUT WAS TURNED DOWN BECAUSE THE KING WANTED TO AVOID BLOODSHED.

DURING THE ENSUING YEARS THE FIVE-FOOT-THREE MONARCH SIGNED A LONG SERIES OF FASCIST DECREES MUSSOLINI PLACED BEFORE HIM.

THE PICTURE FINALLY CHANGED IN JULY, 1943, WHEN ALLIED VICTORIES IN THE MEDITERRANEAN THEATER SHOWED ITALY'S TRUE WEAKNESS AND VITTORIO EMANUELE PLAYED A MAJOR ROLE IN UNSEATING THE DICTATOR TO WHOM HE HAD PLAYED YES-MAN FOR SO MANY YEARS.

WHEN FINALLY HE FOUND ASYLUM WITH THE ALLIES, VITTORIO EMANUELE DENOUNCED MUSSOLINI AND HITLER.

THE ITALIANS REMEMBERED TOO KEENLY HIS PREVIOUS LOYALTIES, HOWEVER, AND CALLED FOR HIS ABDICATION.

DEC 30 1947

A21

IN 1944 WHEN THE ALLIES TOOK ROME, THE KING SURRENDERED HIS POWER TO UMBERTO AS LIEUTENANT GENERAL OF THE REALM, A MOVE WHICH MADE HIM KING IN NAME ONLY.

PUBLIC FEELING REMAINED HOSTILE, AND IN A FINAL MOVE TO SAVE THE HOUSE OF SAVOY VITTORIO EMANUELE ON MAY 9, 1946 SIGNED A DOCUMENT OF ABDICATION IN FAVOR OF UMBERTO AND SAILED WITH HIS WIFE TO ALEXANDRIA.

THE MOVE WAS TOO LATE, AND A MONTH LATER THE ITALIANS VOTED IN A PLEBISCITE FOR A REPUBLICAN FORM OF GOVERNMENT.

VITTORIO EMANUELE, WHO SUCCEEDED TO THE THRONE ON JULY 29, 1900 WHEN HIS FATHER, UMBERTO I WAS ASSASSINATED, MET ELENA, A MONTENEGRAN PRINCESS, WHO STOOD SIX INCHES ABOVE HIM, WHILE REPRESENTING HIS FATHER AT THE CORONATION OF CZAR NICHOLAS II IN ST. PETERSBURG. THEY WERE MARRIED IN ROME IN OCTOBER, 1896.

BESIDES UMBERTO THE COUPLE HAD FOUR DAUGHTERS. YOLANDA, THE ELDEST, MARRIED COUNT CALVI DI BERGOLO IN 1923.

MAFALDA MARRIED PRINCE PHILIP OF HESSE. AFTER MUSSOLINI'S DOWNFALL SHE WAS PLACED IN BUCHENWALD PRISON CAMP AND DIED THERE IN AUGUST, 1944 FROM BOMB WOUNDS SUFFERED DURING AN ALLIED RAID.

GIOVANNA MARRIED KING BORIS III OF BULGARIA IN 1936. WITH HER SON, KING SIMEON II, SHE CAME TO EGYPT IN SEPTEMBER, 1946, AFTER THE BULGARIANS HAD VOTED OUT THE MONARCHY.

MARIA, THE YOUNGEST, MARRIED PRINCE LOUIS OF BOURBON-PARMA.

(IN ROME PROF. TULLIO CAVAGNARO, FORMER ADMINISTRATOR OF THE ROYAL PRIVATE ESTATES, SAID THAT VITTORIO EMANUELE, ONE OF EUROPE'S WEALTHIEST MONARCHS, KEPT $6,300,000 WORTH OF BRITISH BONDS ALL DURING THE WAR. IT WAS BELIEVED THE BONDS WOULD GO TO THE NEW ITALIAN REPUBLIC.)

NO FUNERAL ARRANGEMENTS HAVE YET BEEN MADE, BUT THERE WAS NO INDICATION THE FORMER MONARCH WOULD BE RETURNED TO ITALY TO LIE IN THE PANTHEON NICHE ONCE ASSIGNED TO HIM.

IN CAIRO FOREIGN MINISTER AHMED KASHABA PASHA SAID THE EGYPTIAN COURT WOULD MOURN VITTORIO EMANUELE FOR SEVEN DAYS AND AN "OFFICIAL FUNERAL" WOULD BE HELD. PREMIER MAHMOUD FAHMY NOKRASHY PASHA SAID A "MILITARY FUNERAL WAS BEING ARRANGED."

COL. TITO TORELLA DI ROMAGNANO, SECRETARY FOR THE FORMER MONARCH, SAID THAT NO FUNERAL ARRANGEMENTS WOULD BE MADE UNTIL UMBERTO'S ARRIVAL TONIGHT.

HOWEVER, AN UNOFFICIAL SOURCE SAID THAT FUNERAL SERVICES PROBABLY WOULD TAKE PLACE IN ALEXANDRIA TOMORROW AFTERNOON WITH MILITARY HONORS, BY ORDER OF KING FAROUK OF EGYPT. THE SOURCE SAID THAT FLOWERS AND WREATHES WOULD BE OMITTED BY THE EXPRESS WILL OF VITTORIO EMANUELE HIMSELF.

DR. MAGGIORINO PETA, PHYSICIAN FOR VITTORIO EMANUELE, SAID THE FORMER MONARCH WAS IN A SEMI-COMA FOR NEARLY 30 MINUTES BEFORE HE DIED.

BESIDES THE FORMER QUEEN, TWO DAUGHTERS, YOLANDA AND GIOVANNA, WERE AT THE BEDSIDE.

DEC 30 1947

MK728AES

BOMBAY, DEC.29-(AP)-SOME 400,000 WORKERS WENT ON STRIKE TODAY IN A 24-HOUR PROTEST AGAINST ALLEGED FAILURE OF MACHINERY FOR SETTLING LABOR DISPUTES.

DEC 30 1947

TEXTILE, PORT AND RAILWAY WORKSHOP WORKERS FORMED THE BULK OF THE STRIKERS, WHO REPRESENT 60 SOCIALIST AND 25 COMMUNIST UNIONS.

FIVE THOUSAND SOCIALIST VOLUNTEERS TOURED THE CITY APPEALING TO PICKETS TO REMAIN PEACEFUL. POLICE CONVOYS PATROLLED THE CITY.

BD640AES

LIMA, PERU, DEC. 29-(AP)-ENRIQUE GARCIA SAYAN, PERUVIAN FOREIGN MINISTER, SAID TONIGHT IN A STATEMENT HANDED TO ALL THE DIPLOMATIC MISSIONS IN LIMA THAT THE MARSHALL PLAN HAD CREATED "MANY PROBLEMS" FOR LATIN AMERICAN COUNTRIES.

GARCIA SAID THE PLAN ENVISAGED LATIN AMERICAN COUNTRIES AS FURNISHING RAW MATERIALS FOR EUROPEAN INDUSTRY, WHEREAS LATIN AMERICAN NATIONS HAD GREATLY EXPANDED THEIR OWN INDUSTRIAL PRTTIIOP Z SENDING THE QUP

DEC 30 1947

NATIONS HAD GREATLY EXPANDED THEIR OWN INDUSTRIAL PRODUCTION SINCE 1938.

"IT CANNOT BE ADMITTED," GARCIA SAID, ADDING THAT HE WAS SPEAKING FOR HIS GOVERNMENT, "THAT THE TEMPO OF THE NEW INDUSTRIES (IN LATIN AMERICA) SHOULD BE SLOWED DOWN OR PARALYZED IN ORDER TO MAKE A PLACE FOR EUROPEAN PRODUCTION X X X."

HE SUGGESTED THAT THE MARSHALL PLAN INCLUDE A WIDE IMMIGRATORY PROGRAM WHEREBY EUROPEANS WOULD GO TO SOUTH AMERICA. UNDER THIS PROGRAM, HE SAID, LATIN AMERICA COULD SPEED UP ITS RAW MATERIAL PRODUCTION AND, AT THE SAME TIME, POPULATION CONGESTION IN EUROPE COULD BE EASED, CUTTING DOWN THE AID REQUIRED BY EUROPEAN COUNTRIES.

M01247AES

BUENOS AIRES, DEC. 29-(AP)-THE GOVERNMENT-APPROVED GENERAL CONFEDERATIONOF LABOR (CGT) TONIGHT CALLED THE AMERICAN FEDERATION OF LABOR A "SPEARHEAD OF YANKEE IMPERIALISM AMONG THE WORKING CLASSES."

THE CGT, WHICH CLAIMS A MEMBERSHIP OF 1,000,000 (MILLION) ARGENTINE WORKERS, SAID IT WOULD NOT ATTEND A COMING INTERAMERICAN LABOR CONFERENCE IN LIMA, PERU, AND EXPLAINED:

DEC 30 1947

"A NEW HEMISPHERE UNION ORGANIZATION WHICH WILL BE DIRECTED BY THE AMERICAN FEDERATION OF LABOR WILL BE FORMED AT LIMA AND WILL BE MERELY A WEAPON AGAINST THE COMMUNISTS AND ESPECIALLY AGAINST THE CONFEDERATION OF WORKERS OF LATIN AMERICA.

"ARGENTINE WORKERS ARE NOT COMMUNISTS, BUT WE ARE NOT GOING TO CONTRIBUTE--UNDER THE PRETEXT OF COMBATTING COMMUNISM--TO CONSOLIDATION OF IMPERIALIST PENETRATION INTO THE YOUNG COUNTRIES OF AMERICA."

W1943PES

NIGHT LEAD GEOLOGISTS (430)

BY ROBERT E.BUNNELLE

OTTAWA, DEC.29-(AP)-IRON ORE FIELDS OF THE CANADIAN-LABRADOR NORTHLAND WERE DESCRIBED TO THE GEOLOGICAL SOCIETY OF AMERICA TODAY AS POTENTIALLY A "NEW IMPORTANT SOURCE OF IRON ORE ON THE NORTH AMERICAN CONTINENT" AND PROBABLY A WORTHY SUCCESSOR TO THE LAKE SUPERIOR REGION.

DEC 30 1947

J.A.RETTY, CHIEF GEOLOGIST OF THE HOLLINGER CONSOLIDATED GOLD MINES OF CANADA, WHICH CONTROLS CONCESSIONS ON THE LABRADOR PENINSULA, MADE A REPORT ON THE EXTENT OF DEPOSITS. HE SAID THE VIRGIN IRON ORE DEPOSITS ARE GEOLOGICALLY SIMILAR TO THOSE OF THE LAKE SUPERIOR REGION IN TYPE, AGE AND NATURAL ENVIRONMENT.

HE SAID THE LABRADOR ORE BEDS ARE FOUND ALONG A STRUCTURAL TROUGH IN THE EARTH CRUST SOME 350 MILES LONG AND UP TO 40 MILES WIDE. THE MOST PROMISING BODIES OCCUPY A 90-MILE STRETCH OF TROUGH, WHERE DRILL HOLES ARE TESTING RESERVES IN ADVANCE OF MINE OPERATIONS, REPORTED SCHEDULED TO START IN ABOUT 10 MONTHS.

RETTY SAID THE COMPANY IS WELL ON THE WAY TO PROVING UP AN INITIAL GOAL OF 300,000,000 (MILLION) TONS OF ORE. HE ESTIMATED BETWEEN $100,000,000 (MILLION) AND $200,000,000 WOULD HAVE TO BE SPENT TO BRING THE PROPERTY TO AN OPERATING STAGE. A 350-MILE RAILROAD IS HALF SURVEYED, AND THE GRADE IS REPORTED FAVORABLE. HARBOR SURVEYS ARE UNDERWAY.

GEOLOGISTS COMMENTED THAT RETTY'S REPORT WAS "STAGGERING" REGARDING THE POSSIBILITIES OF THE ORE FIELD. HE TOLD OF "MANY OUTCROPPINGS" ALONG THE RANGE. GEOLOGISTS SAID ONLY SEVEN OF THE DOZENS OF GREAT IRON MINES OF THE MESSABI RANGE IN THE UNITED STATES WERE SHOWN AS OUTCROPPINGS.

RETTY HAS BEEN WORKING IN THE AREA SINCE 1936. HE SAID THERE IS AN "EXCELLENT CHANCE" THAT BASE METALS WILL BE FOUND TO THE EAST OF THE IRON ORE DEPOSITS.

THE CANADIAN GOVERNMENT BUREAU OF STATISTICS HAS DESCRIBED THE LABRADOR FIELD AS "A MAJOR POTENTIAL SOURCE OF HIGH GRADE ORE" WHICH MAY ULTIMATELY "PROVE COMPARABLE IN IMPORTANCE TO THE MESSABI RANGE OF MINNESOTA, OUTPUT OF WHICH IS 60,000,000 TONS A YEAR."

ONE GEOLOGIST, WHO ASKED TO REMAIN ANONYMOUS, SAID AFTER RETTY'S REPORT THAT THE LABRADOR FIELDS MAY BE "THE SALVATION OF THE VORACIOUS STEEL INDUSTRIES." HE SAID THE LAKE SUPERIOR ORES HAD BEEN REDUCED IN SIZE AND GRADE BY HEAVY WARTIME DEMANDS TO ONLY A FEW YEARS OF ACTUAL SUPPLY.

THE AMERICAN M.A. HANNA CO., IN THE IRON BUSINESS FOR 75 YEARS, HOLDS A MINORITY INTEREST IN THE LABRADOR FIELD. THE DEPOSITS LIE ASTRIDE THE QUEBEC-LABRADOR BOUNDARY 300 TO 400 MILES NORTH OF THE GULF OF ST.LAWRENCE, A REGION PEOPLED MAINLY BY ESKIMOS AND SCATTERED INDIANS.

THE UNITED STATES GOVERNMENT HAS BEEN DRILLING HOLES AT BIKINI ISLAND TO LEARN MORE ABOUT ATOMIC BOMB EXPLOSIONS, BUT RESULTS HAVE BEEN INCONCLUSIVE, ANOTHER REPORT SAID.

THE PAPER--WRITTEN BY H.S. LADD, J.I. TRACY, GORDON LILL, J.W. WELLS AND W.S.COLE--WAS PUBLISHED BY PERMISSION OF THE UNITED STATES GEOLOGICAL SURVEY.

DEC 30 1947

FIVE HOLES WERE DRILLED AT BIKINI DURING THE SUMMER, THE DEEPEST BEING 2,556 FEET, THE PAPER SAID. DEEPER HOLES WOULD BE NEEDED, GEOLOGICAL EXPERTS SAID, FOR ANY INTERPRETATION OF THE MILD EARTH SHOCK CAUSED BY THE UNDERWATER BOMB.

JA305PES

OTTAWA--FIRST ADD NIGHT LEAD GEOLOGISTS X X X BOMB.

DR. ALFRED L.ANDERSON, PROFESSOR OF GEOLOGY AT CORNELL UNIVERSITY, TOLD FELLOW SCIENTISTS THAT IDAHO'S RICH DEPOSITS OF GOLD, SILVER, COPPER, AND OTHER MINERALS FIT INTO A GEOMETRIC PATTERN WHICH CAN BE USED AS A GUIDE IN FUTURE EXPLORATIONS IN THE SAME AREA.

ANDERSON SAID THE HUGE GRANITE MASS WHICH FORMS THE CORE OF THE STATE WAS RESPONSIBLE FOR EARTH FRACTURES IN WHICH THE ORES OF IDAHO WERE DEPOSITED. THIS MASS IS ABOUT 250 MILES LONG, 75 MILES WIDE, AND EXTENDS THOUSANDS OF FEET UNDERGROUND.

DEC 30 1947

BECAUSE OF ITS GREAT SIZE, IT RESISTED CONSTRICTING PRESSURE ON THE

30.24- 14539

EARTH'S CRUST WHEN THE ROCKY MOUNTAIN RANGES WERE FOLDED AND ELEVATED. PRESSURES WERE TRANSMITTED THROUGH THE GRANITE MASS TOISOFTER SEDIMENTARY ROCKS, AND IT REMAINED UNDEFORMED EXCEPT FOR A NETWORK OF GEOMETRICALLY PATTERNED FRACTURES THAT CAN BE MAPPED FOR PROSPECTING.

DEC 30 1947

THESE FRACTURES, HE SAID, SERVED AS VENTS FOR MINERAL CHARGED WATERS RISING FROM THE EARTH'S DEPTHS. AS THEY NEARED THE SURFACE AND COOLED, THEY PRECIPITATED ORE MINERALS THAT NOW FILL THE FRACTURES AND IMPREGNATE ADJACENT ROCKS. ANDERSON'S FRACTURE PATTERN FITS THE LOCATION AND PATTERN OF THE STATE'S PRESENT MINING DISTRICTS.

GEOLOGISTS HERE SAID IT IS THUS REGARDED AS A VALUABLE KEY TO OPEN ORE DEPOSITS IN OTHER PARTS OF IDAHO, WHICH MAY NOT PRESENTLY SHOW TO SURFACE EXPLORATIONS. ANDERSON DEVOTED 25 YEARS TO RESEARCH ON THE STRUCTURAL INTERPRETATION OF IDAHO.

DEEPEST BEING 2,556 FEET. GEOLOGICAL EXPERTS SAID DEEPER HOLES WOULD BE NEEDED FOR ANY INTERPRETATION OF THE MILD EARTH SHOCK CAUSED BY THE UNDERWATER BOMBER.

DEC 30 1947

THE GEOLOGICAL SOCIETY OF AMERICA, ONE OF SIX GROUPS MEETING HERE, ELECTED JAMES GILLULY, OF THE UNIVERSITY OF CALIFORNIA, LOS ANGELES, PRESIDENT, SUCCEEDING A.I.LEVORSEN, DEAN OF THE SCHOOL OF MINERAL INDUSTRIES, STANFORD UNIVERSITY.

VICE-PRESIDENTS CHOSEN INCLUDE CHESTER R.LONGWELL, YALE UNIVERSITY; KIRK BRYAN, HARVARD; RAYMOND C.MOORE, UNIVERSITY OF KANSAS, AND MARTIN J.BUERGER, MASSACHUSETTS INSTITUTE OF TECHOLOGY.

OTHER GROUPS MEETING ARE THE PALEONTOLOGICAL SOCIETY, MINERALOGICAL SOCIETY, SOCIETY OF ECONOMIC GEOLOGISTS, SOCIETY OF VERTEBRATE PALEONTOLOGISTS, AND THE GEOLOGICAL ASSOCIATION OF CANADA.

THE VISITORS WERE WELCOMED BY J.A.GLEN, CANADIAN MINISTER OF MINES AND RESOURCES.

GEOLOGISTS SEPARATE

DEC 30 1947

OTTAWA, DEC. 29-(AP)-A.I.LEVORSEN, STANFORD UNIVERSITY PETROLEUM GOLOGIST, SAID TONIGHT THAT GREAT OIL FIELDS STILL REMAINED TO BE DISCOVERED IN THE COASTAL PLAINS AND BETWEEN THE MOUNTAIN RANGES OF NORTH AMERICA FROM THE ARCTIC TO CENTRAL AMERICA.

LEVORSEN, DEAN OF STANFORD'S SCHOOL OF MINERAL SCIENCES, TOLD A MEETING OF THE GEOLOGICAL SOCIETY OF AMERICA THAT NORTH AMERICA'S KNOWN RECOVERABLE OIL RESERVES TOTAL ABOUT 21,000,000,000 (BILLION) BARRELS, OR ABOUT 12 TIMES THE ANNUAL PRODUCTION OF THE CONTINENT.

"THE OIL WE WILL USE 20 YEARS HENCE IS, IN LARGE PART, STILL UNDISCOVERED," HE ADDED. "THE REALLY IMPORTANT RESOURCE THEN FOR THE PEOPLE OF NORTH AMERICA IS THAT WHICH AT PRESENT IS BOTH UNDRILLED AND UNDISCOVERED."

AS EXAMPLES OF NEW PROSPECTIVE AREAS FOR OIL DRILLING, LEVORSEN LISTED THE CONTINENTAL SHELF, THE MEXICAN COASTAL PLAINS, THE INTERIOR PLAINS OF WESTERN CANADA, THE ATLANTIC COASTAL PLAIN, THE ANADARKO BASIN IN OKLAHOMA, THE CANADIAN MARITIME PROVINCES AND THE SOUTHEASTERN STATES.

HE SAID DEEPER AND MORE CONCENTRATED DRILLING UP TO 20,000 FEET OR MORE, NOT ONLY IN AREAS NOW PRODUCING OIL, BUT IN SECTIONS WHERE GEOLOGICAL CONDITIONS FAVOR OIL DISCOVERY, PROBABLY WOULD BE NECESSARY.

ANOTHER POSSIBILITY FOR FUTURE PETROLEUM SUPPLY IS THE MANUFACTURE OF SUBSTITUTES FROM RESERVES OF COAL, OIL SHALES AND TAR SANDS, HE SAID.

RP1OPES

CHALK RIVER, ONT., DEC. 29-(AP)-THE NATIONAL RESEARCH COUNCIL'S $20,000,000 ATOMIC ENERGY PLANT HERE NOW IS PRODUCING RADIOACTIVE ISOTOPES AFTER TWO YEARS OF EXHAUSTIVE EXPERIMENTS.

THE PLANT LIES 125 MILES NORTHWEST OF OTTAWA. IT IS NOW OPERATING AT CAPACITY.

ISOTOPES ARE ESPECIALLY USEFUL IN TRACER CHEMISTRY AND BIOLOGY.

TO OBTAIN RADIOACTIVE ISOTOPES, OR RADIO-ISOTOPES AS THEY ARE SOMETIMES CALLED, AN ELEMENT OR ONE OF ITS COMPOUNDS IS USED AS A TARGET FOR IRRADIATION. WHEN THE TARGET IS BOMBARDED BY NEUTRONS GENERATED IN AN ATOMIC "PILE," RADIO-ISOTOPES ARE FORMED. IN SUCH A WAY, PHOSPHOROUS ISOTOPES ARE PRODUCED FROM SULPHUR.

SAMPLES THUS OBTAINED, WHICH CANNOT BE CONVERTED TO MILITARY USE, ARE KEPT IN LEAD PROTECTED BINS AVAILABLE TO QUALIFIED WORKERS IN VARIOUS FIELDS IN CANADA AND ABROAD.

FD241PES

DEC 30 1947

OTTAWA, DEC. 29-(AP)-THE UNITED STATES GOVERNMENT HAS BEEN DRILLING HOLES ON BIKINI ISLAND TO LEARN ADDITIONAL FACTS ON ATOMIC BOMB EXPLOSIONS, BUT RESULTS SO FAR ARE INCONCLUSIVE, ACCORDING TO A REPORT MADE TODAY TO A GROUP OF AMERICAN AND CANADIAN SCIENTISTS MEETING HERE.

THE PAPER--WRITTEN BY H.S.LADD, J.I.TRACY, GORDON LILL, J.W.WELLS, AND W.S.COLE--WAS PUBLISHED BY PERMISSION OF THE U.S.GEOLOGICAL SURVEY. IT SAID FIVE HOLES HAD BEEN DRILLED AT BIKINI DURING THE SUMMER, THE

DEC 30 1947

WASHINGTON, DEC 29-(AP)-FRANCIS B. SAYRE, PRESIDENT OF THE UNITED NATIONS TRUSTEESHIP COUNCIL, SAYS THE UNITED STATES IS "SUPERBLY SUCCEEDING" IN MAKING THE ATOMIC BOMB "MORE DEADLY, MORE TERRIBLE."

SAYRE MADE THE ASSERTION IN A SPEECH BEFORE THE AMERICAN POLITICAL SCIENCE ASSOCIATION IN WHICH HE URGED THIS COUNTRY TO GO AHEAD WITH THE MARSHALL PLAN FOR EUROPEAN RECOVERY REGARDLESS OF A "SOVIET CAMPAIGN OF CALUMNY AND BLISTERING ABUSE."

"A REHABILITATED EUROPE WILL SPELL THE COLLAPSE OF SOVIET PLANS FOR WORLD DOMINATION," SAYRE TOLD THE GROUP YESTERDAY.

THE FORMER HIGH COMMISSIONER TO THE PHILIPPINES DECLARED THAT RUSSIA'S "PLOTTING AGAINST HUMAN FREEDOM" CONFRONTS THE WORLD WITH A MAJOR PERIL.

BUT HE SAID THAT "IN SPITE OF HER PROVOCATIVE WORDS AND ACTS THE SOVIET UNION IS NOT NOW PREPARED TO WAGE WAR WITH ANY FIRST CLASS POWER."

HENCE, HE ADDED, "THERE IS STILL BREATHING TIME" TO SEEK "SAVING POLICIES."

DEC 30 1947

RE901AES

)190) WASHINGTON,DEC.29-(AP)-MEMBERS OF CONGRESS HAVE PROTESTED THE RECENT DEATH SENTENCES IMPOSED ON FOUR HEBREW DISPLACED PERSONS BY A BRITISH MILITARY COURT IN HANOVER, GERMANY, REP.SOMERS (D-NY) SAID TODAY.

SOMERS SAID IN A STATEMENT THAT IN A JOINT CABLE HE AND SENATOR LANGER (R-ND) HAD TOLD GEN.LUCIUS CLAY, U.S.MILITARY COMMANDER IN EUROPE:

"THE AMERICAN PEOPLE INSIST THAT THE BRITISH CEASE THEIR PERSECUTION OF HEBREWS. THE UNITED STATES MUST SHARE THE ONUS OF SUCH OUTRAGEOUS BRITISH ACTION AND OUR BIZONAL POLICY WILL BE REDUCED TO A VICIOUS HUNTING AND HOUNDING OF HEBREW DISPLACED PERSONS UNLESS WE PREVENT THESE JUDICIAL MURDERS."

SOMERS' STATEMENT SAID ABRAHAM HUBERT, RICHARD ORLINSKI, JACOB REDLICH AND JACOB KRYSZEK WERE SENTENCED TO DEATH DEC.5 "AFTER A FOUR-DAY SECRET TRIAL DURING WHICH ONLY THE FLIMSIEST OF HEAR-SAY EVIDENCE WAS PRESENTED IN AN ATTEMPT TO SHOW THEIR CONNECTION WITH AN ALLEGED PLOT TO BLOW UP A BRITISH TROOP TRAIN."

REP.BLATNIK (D-MINN), SOMERS ADDED, HAS WRITTEN A LETTER TO GEN. CLAY DECLARING THE UNITED STATES WOULD BE HELD RESPONSIBLE IN THE MINDS OF THE GERMAN PEOPLE "FOR THIS TYPE OF PERSECUTION" AND THAT "OUR ENTIRE DENAZIFICATION PROGRAM WILL SUFFER."

(END ADVANCE FOR AMS OF TUESDAY, DEC.30)

DEC 30 1947

LT550PES

MILWAUKEE, DEC. 29-(AP)-"INDIA AND PAKISTAN WILL BE RE-UNITED BY 1950," DR. SHRI SHRIDHARA NEHRU, SENIOR MEMBER OF THE BOARD OF REVENUE OF THE UNITED PROVINCES OF INDIA, DECLARED IN AN INTERVIEW TONIGHT.

DR. NEHRU IS A FIRST COUSIN OF PANDIT NEHRU, INDIA'S PRIME MINISTER. HE IS STUDYING THE AMERICAN LEGAL SYSTEM.

"IF 48 AMERICAN STATES CAN LIVE TOGETHER IN PEACE AND HARMONY, SURELY TWO INDIAN STATES CAN IRON OUT THEIR DIFFERENCES," DR. NEHRU SAID. HE ADDED THAT IT IS FOR THE BEST INTERESTS OF INDIA, PAKISTAN AND ENGLUND FOR SUCH A REUNION TO TAKE PLACE. ENGLAND'S RECOVERY AND THE INDIAN TRADE ARE DEPENDENT UPON THE THREE PULLING TOGETHER AS A UNIT, HE DECLARED.

DEC 30 1947

HS104ACS NM

BALTIMORE, DEC 29-(AP)-A "PEACE PLANE," SIMILAR IN CONCEPT TO THE FREEDOM TRAIN, IS ENVISIONED BY THE UNITED NATIONS CITIZENSHIP LEAGUE, INCORPORATED HERE.

S.RAYMOND DUNN, CHAIRMAN OF THE GROUP, SAID TODAY THE PROPOSED PLANE WOULD CARRY A CARGO OF UNITED NATIONS DOCUMENTS AND VISIT THE PRINCIPAL CITIES OF THE GLOBE.

DEC 30 1947

JP1046AES NM

U.N.-PROGRESS

BY MAX HARRELSON

(ADVANCE) LAKE SUCCESS, DEC. 30-(AP)-DESPITE THE CURRENT WORLD TENSION, THE UNITED NATIONS HAS PUSHED FORWARD ON MANY FRONTS THIS YEAR AND PROMISES EVEN GREATER PROGRESS IN 1948 ON SUCH VITAL PROBLEMS AS WORLD HEALTH, FOOD SHORTAGES AND REFUGEES.

IN MOST CASES, THIS PROGRESS HAS BEEN OVERSHADOWED BY THE MORE SPECTACULAR POLITICAL CLASHES, BUT U.N. OFFICIALS POINT WITH PRIDE TO THE RECORDS OF ACHIEVEMENT IN THE NON-POLITICAL FIELDS.

FOR EXAMPLE, NEEDY CHILDREN ARE NOW BEING FED IN NINE EUROPEAN COUNTRIES THROUGH THE INTERNATIONAL CHILDREN'S EMERGENCY FUND WHICH WAS ESTABLISHED LAST YEAR BY THE U.N. THESE COUNTRIES ARE AUSTRIA, BULGARIA, CZECHOSLOVAKIA, FINLAND, GREECE, HUNGARY, ITALY, POLAND AND ROMANIA.

FOOD SHIPMENTS ALREADY HAVE BEEN SENT TO ALBANIA AND YUGOSLAVIA IN PREPARATION FOR CHILD-FEEDING IN 1948 AND SHIPMENTS SOON WILL GO TO FRANCE AND TO SEVERAL AREAS IN THE FAR EAST, INCLUDING CHINA. BY THE END OF 1948, 3,500,000 CHILDREN WILL COME UNDER THE FEEDING PROGRAM, OFFICIALS SAY.

THE WORLD HEALTH ORGANIZATION (WHO), ONE OF THE 11 SPECIALIZED AGENCIES OF THE U.N., PLAYED A MAJOR PART IN CHECKING THE RECENT CHOLERA EPIDEMIC IN EGYPT ALTHOUGH THE WHO STILL IS OPERATING AS AN INTERIM COMMISSION.

THROUGH THE EFFORTS OF THE WHO, EGYPTIAN HEALTH OFFICIALS RECEIVED APPROXIMATELY 2,000,000 (MILLION) CUBIC CENTIMETERS OF VACCINE FROM U.S. DRUG MANUFACTURERS AND AN ADDITIONAL 2,000,000 CUBIC CENTIMETERS FROM THE CHINESE GOVERNMENT.

THE INTERNATIONAL REFUGEE ORGANIZATION, IN ITS FIRST SIX MONTHS OF OPERATION, HAS CARED FOR AN AVERAGE OF 650,000 PERSONS A MONTH IN DISPLACED PERSONS CAMPS IN GERMANY, AUSTRIA, ITALY AND THE MIDDLE EAST. IT HAS RE-ESTABLISHED MORE THAN 100,000 OTHERS.

THE FOOD AND AGRICULTURAL ORGANIZATION HAS SENT MISSIONS TO SEVERAL COUNTRIES TO HELP THEM REHABILITATE THEIR AGRICULTURAL SYSTEMS AND HAS FURNISHED EXPERTS TO SEVERAL COUNTRIES ON SPECIAL ASSIGNMENTS. IT ALSO HAS HELD NUMEROUS CONFERENCES AT WHICH PLANS WERE ADOPTED TO TACKLE VARIOUS AGRICULTURAL PROBLEMS.

THE INTERNATIONAL BANK BEGAN ITS FIRST LENDING OPERATIONS, WITH LOANS OF NEARLY $500,000,000 TO FRANCE, THE NETHERLANDS, DENMARK AND LUXEMBOURG. THE INTERNATIONAL MONETARY FUND MADE AVAILABLE TO ITS MEMBERS A LIKE AMOUNT.

DEC 30 1947

A127

U.N. OFFICIALS ADMIT THAT THE ACHIEVEMENTS OF THE SPECIALIZED AGENCIES WERE FAR SHORT OF WHAT THEY EVENTUALLY HOPE TO DO, BUT THEY MAINTAIN THAT ALL OF THEM HAVE MADE A GOOD BEGINNING IN THE FACE OF THE PRESENT INTERNATIONAL DIFFICULTIES.

THE HEADS OF ALMOST ALL THE AGENCIES, LOOKING FORWARD TO 1948, PREDICT GREATER PROGRESS, BUT THEY DO NOT MINIMIZE THE DIFFICULTIES AHEAD.

A TYPICAL STATEMENT IS THAT OF WILLIAM HALLAM TUCK, EXECUTIVE SECRETARY OF THE PREPARATORY COMMISSION FOR THE INTERNATIONAL REFUGEE ORGANIZATION, WHICH WILL APPEAR IN THE JAN. 1 ISSUE OF THE UNITED NATIONS BULLETIN.

AFTER OUTLINING THE PROGRESS OF HIS ORGANIZATION IN 1947, TUCK POINTED UT HATAPPROX

POINTED OUT THAT APPROXIMATELY 1,500,000 REFUGEES AND DISPLACED PERSONS STILL ARE HOMELESS.

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"IRO," HE SAID, "CANNOT OFFER SANCTUARY TO ALL THOSE WHO HAVE A LEGAL CLAIM TO ITS SERVICES UNLESS ITS RESOURCES ARE VASTLY INCREASED. FAILING THAT, ITS RESPONSIBILITIES MUST BE REDUCED, POSSIBLY BY THE ESTABLISHMENT OF A DEADLINE, AFTER WHICH NO NEW REFUGEES CAN BE ACCEPTED AS THE RESPONSIBILITY OF THE ORGANIZATION.

"IT MUST BE ONE OR THE OTHER, A CONTINUING EXPENSIVE PROGRAM OF CARE AND MAINTENANCE FOR ALL ELIGIBLE APPLICANTS, OR A CONCENTRATED EFFORT TO RESETTLE WARTIME REFUGEES, AND ONLY THE MEMBER GOVERNMENTS OF IRO CAN DECIDE WHICH IT IS TO BE."

(END ADVANCE FOR AMS OF WEDNESDAY, DEC. 31.)

HJ1129PES

DEC 30 1947

LAKE SUCCESS, DEC.29-(AP)-THE INTERNATIONAL BATTLE AGAINST EPIDEMICS WILL BE THE THEME OF A NEW UNITED NATIONS DOCUMENTARY FILM WHICH THE FRENCH FILM EXECUTIVE, HENRI LAVAUREL, HAS SIGNED TO PRODUCE, IT WAS LEARNED TODAY.

A SPOKESMAN IN THE U.N. FILM UNIT SECTION SAID THE FILM, A TWO-REELER WHICH EVENTUALLY WILL BE DISTRIBUTED TO MOTION PICTURE HOUSES, WILL FEATURE THE PART PLAYED BY THE WORLD HEALTH ORGANIZATION IN CURBING THE RECENT CHOLERA EPIDEMIC IN EGYPT. IT WILL BE ONE OF A SERIES OF INTERNATIONAL PRODUCTIONS THE U.N. CURRENTLY IS UNDERTAKING.

THE WORLD HEALTH ORGANIZATION, NOW ONLY AN INTERIM COMMISSION, WILL BECOME A SPECIALIZED AGENCY OF THE U.N. UPON RATIFICATION OF THE W H O CONSTITUTION BY 26 U.N. MEMBER NATIONS. ITS OBJECTIVE IS "THE ATTAINMENT BY ALL PEOPLES OF THE HIGHEST POSSIBLE LEVEL OF HEALTH."

LAVAUREL IS THE HUSBAND OF FILM STAR MADELEINE CARROLL. HE WAS EXPECTED TO FASHION HIS FILM FROM A COMBINATION OF "REENACTMENT SCENES" WHICH WILL BE SHOT IN NEW YORK, PLUS NEWSREEL SEQUENCES TAKEN IN EGYPT DURING THE EPIDEMIC AND EXISTING U.N. DOCUMENTARY FILM.

EARLY LAST NOVEMBER, WHEN THE EPIDEMIC NEARED ITS END, W H O AUTHORITIES INFORMED THE U.N. THAT EGYPTIAN HEALTH OFFICIALS HAD RECEIVED MILLIONS OF CUBIC CENTIMETERS OF VACCINE THROUGH THE EFFORTS OF THE ORGANIZATION. THE W H O ALSO ORGANIZED THE SHIPMENT TO EGYPT OF THOUSANDS OF UNITS OF BLOOD PLASMA AND OTHER MEDICAL SUPPLIES, INCLUDING SOME 50,000 HYPODERMIC NEEDLES.

DEC 30 1947

DEC.19 IT WAS ANNOUNCED THAT EGYPT HAD RATIFIED THE W H O CONSTITUTION AND BECOME THE EIGHTEENTH U.N. MEMBER TO DO SO.

JA318PES

NEW YORK, DEC. 29-(AP)-BECAUSE OF RENEWED GOVERNMENT CENSORSHIP, ONLY FIVE OF 100 AMERICAN FILMS RELEASED IN ROMANIA THE PAST YEAR ARE NOW PERMITTED TO BE SHOWN THERE,. IRVING MAAS, VICE PRESIDENT AND GENERAL MANAGER OF THE MOTION PICTURE EXPORT ASSOCIATION (MPEA), SAID TODAY.

DEC 30 1947

MAAS SAID AT A NEWS CONFERENCE THAT THE CENSORSHIP OF FILMS, APPROVED EARLIER BY THE ROMANIAN GOVERNMENT, WAS DIRECTLY ATTRIBUTABLE TO RECENT HEARINGS INTO ALLEGED COMMUNISTIC ACTIVITY IN HOLLYWOOD BY THE HOUSE UNAMERICAN ACTIVITIES COMMITTEE.

"THOSE HEARINGS ARE HAVING A PROFOUND REACTION IN CERTAIN FOREIGN COUNTRIES UNDER STRONG RUSSIAN INFLUENCE," SAID MAAS, WHO HAS JUST RETURNED FROM A TOUR OF EUROPE AND ASIA.

MAAS SAID AMERICAN MOTION PICTURES WILL NOT BE DISTRIBUTED IN CZECHOSLOVAKIA AFTER THE SUPPLY UNDER THE PRESENT CONTRACT, WHICH CALLS FOR 80 ANNUALLY, RUNS OUT NEXT SPRING. MPEA AND CZECHOSLOVAKIAN AUTHORITIES COULD NOT COME TO TERMS ON A CONTRACT RENEWAL, HE SAID.

IN JAPAN, MAAS SAID THE MPEA NOW HAD AGREEMENTS TO SUPPLY AROUND 600 THEATERS WITH FEATURE PICTURES AND 1,600 HOUSES WITH NEWS REELS.

JT1005PES

NEW YORK, DEC.29-(AP)-DR. ABBA HILLEL SILVER, CHAIRMAN OF THE AMERICAN SECTION OF THE JEWISH AGENCY FOR PALESTINE, TONIGHT URGED THAT AN INTERNATIONAL POLICE FORCE BE SENT TO PALESTINE TO CARRY OUT THE PARTITION PLAN APPROVED BY THE UNITED NATIONS.

IN A SPEECH PREPARED FOR A DINNER GIVEN HIM BY ZIONISTS ON THE EVE OF HIS DEPARTURE FOR PALESTINE, SILVER PREDICTED PEACE WOULD BE POSSIBLE IN THE HOLY LAND ONCE THE ARABS WERE CONFRONTED WITH THE ACCOMPLISHED FACT OF A JEWISH STATE.

SILVER SAID IT WOULD BE HIGHLY DESIRABLE TO HAVE AN INTERNATIONAL FORCE ACCOMPANY THE COMMISSION OF THE UN WHEN IT ARRIVES IN PALESTINE TO CARRY OUT THE INSTRUCTIONS OF THE UN.

DEC 30 1947

"IT NEED NOT BE LARGE, BUT IT MUST KNOW WHAT IT IS THERE FOR," HE SAID. "THE PRESENT MILITARY FORCE IN PALESTINE IS THE BLUNTED INSTRUMENT OF THE HOPELESSLY BLUNDERING POLICY OF MR. BEVIN (BRITISH FOREIGN MINISTER ERNEST BEVIN).

JT1009PES

NEW YORK, DEC 29-(AP)-PAUL V.MCNUTT, CHAIRMAN OF THE PHILIPPINE-AMERICAN TRADE COUNCIL, DECLARED IN A STATEMENT THAT FUTURE COMMERCIAL RELATIONS BETWEEN THE PHILIPPINES AND THE UNITED STATES ARE VITALLY IMPORTANT TO AMERICAN BUSINESS.

MR.MCNUTT'S STATEMENT DECLARED AMERICAN INDUSTRY CAN AID IN REBUILDING THE PHILIPPINES' ECONOMY AND PROVIDE MATERIALS AND ENGINEERING SKILLS WHICH WILL BE REQUIRED IN THE FUTURE DEVELOPMENT OF THE ISLANDS.

DEC 30 1947

THE BASIS FOR A SOUND, TWO-WAY TRADE BETWEEN THE UNITED STATES AND THE PHILIPPINES WAS ESTABLISHED DURING THE YEARS OF UNITED STATES OCCUPATION, HE SAID.

MR.MCNUTT DISCLOSED THAT THE NEWLY ESTABLISHED PHILIPPINE-AMERICAN TRADE COUNCIL, A DIVISION OF THE FAR EAST-AMERICAN COUNCIL OF COMMERCE AND INDUSTRY, PLANS TO CREATE A CHAPTER IN MANILA SOON.

GS135AES

SPECULATION (160)

NEW YORK,DEC. 29-(AP)-SECRETARY OF AGRICULTURE CLINTON P.ANDERSON SAID TODAY THE LIST OF 99 PUBLIC EMPLOYES HE RELEASED EARLIER IN WASHINGTON AS HAVING SPECULATED IN GRAIN LAST SEPTEMBER IS ONLY A PART OF THE TOTAL LIST WHICH WILL BE RELEASED IN LATER INSTALLMENTS.

"I WOULD NOT EXACTLY CALL THEM SPECULATORS," ANDERSON SAID IN A NEWS CONFERENCE. "I WOULD CALL THEM COMMODITY TRADERS."

ANDERSON HELD AN INFORMAL NEWS CONFERENCE AT THE HOTEL WALDORF-ASTORIA WHERE HE WAS GUEST OF HONOR OF THE CIRCUS SAINTS AND SINNERS CLUB OF AMERICA, AN ORGANIZATION OF BUSINESS MEN AND POLITICIANS WHICH PROVIDES RELIEF FOR AGED AND INDIGENT CIRCUS PERFORMERS.

ANDERSON SAID MANY ARMY AND NAVY OFFICERS WHO HAD RETURNED FROM ABROAD WITH BACK PAY HAD BOUGHT COMMODITIES RATHER THAN STOCKS AND BONDS.

DEC 30 1947

"BRIG.GEN.WALLACE H.GRAHAM IS ONE OF THOSE ON THE LIST OF HAVING SPECULATED IN WHEAT," ANDERSON SAID. "BUT I BELIEVE HE BOUGHT THROUGH HIS BROKER AND WAS NOT AWARE AS TO THE EXACT NATURE OF HIS INVESTMENTS."

GEN.GRAHAM IS PRESIDENT TRUMAN'S PERSONAL PHYSICIAN.

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DEC 1947

U.S. ACCUSED OF BIG 4 BREAK BY MOLOTOV

Russian Quoted As Telling Of Gains Due To Soviet Action

London, *Wednesday*, Dec. 31 (AP). Vyacheslav M. Molotov, Soviet Minister, said the United States delegation disrupted "the entire work" of the London Foreign Ministers Conference, the Russian news agency Tass reported today from Moscow.

A long statement by Molotov in answer to questions by correspondents of *Izvestia*, Russian Government newspaper, and *Pravda*, organ of the Communist party, pictured the session as not completely fruitless, however, due to the efforts of the Soviet delegation, the Tass dispatch said.

Assails Three Allies

Molotov was quoted by the dispatch, distributed here by the Soviet monitor, as saying the representatives of the United States, Great Britain and France "did not regard the problem of a peace settlement for Germany as vital for the London conference. They sought either completely to remove it from the agenda or postpone it and class it with other secondary matters."

"At present," Molotov said, "allegations are being made that the discussion concerning the preparation of a German peace treaty at the London session was fruitless, although this does not correspond to the facts.

"This session, chiefly through the efforts of the Soviet delegation, adopted a number of decisions in which progress was made in coordinating the attitudes of the four governments in regard to the procedure for the preparation of a peace treaty with Germany.

"Passed Over," He Charges

"For some reason, this is now being passed over in silence. Consideration of this matter was not, however, completed since the American delegation hurriedly undertook to disrupt the entire work of the London conference."

Molotov said "no one has explained why it is the United States of America, which last year proposed a speedup in the preparation of the peace treaty, does not consider this problem vital at present."

He added that "in the meantime it is perfectly obvious the establishment of peace in Europe cannot be completed without the peace settlement for Germany."

"The facts prove the Sovitt Union alone insisted" that the London session speed up a German peace settlement in the interests of general peace.

Claims Stubborn Resistance

The United States, he said, "at present offers the most stubborn resistance to tackling the peaec treaty with Germany . . . and no longer seeks to accelerate the solution of this problem. The London conference proved Great Britain and France are treading the same road."

Molotov emphasized the importance of re-establishing unity in Germany and said that at the conference "no one openly opposed this."

"It transpired, however, that representatives of the United States of America, Great Britain and France reduced this task merely to making certain agreements among occupation authorities concerning the elimination of zonal barriers for the purpose of facilitating the movement of goods . . .," he said.

Sees Aid For Foreign Firms

"It appeared this was rather a matter of convenience for foreign export companies in selling their goods in Germany than of the actual re-establishment of the unity of the German state."

The Soviet delegation, on the other hand, Molotov claimed, maintained "it was impossible to re-establish Germany's unity on a democratic and peaceful basis without active participation of the democratic forces of the German people in this matter."

14 in Top Nazi Ranks Plead Not Guilty at Trials

NUERNBERG, Dec. 30 (AP).—An admiral and thirteen former field marshals or generals of the German high command pleaded not guilty today in the twelfth and last case in the series of Nuernberg war-crimes trials.

The defendants included Field Marshals Wilhelm von Leeb, Hugo Sperrle and George von Kuechler, General Johannes Blaskowitz and Admiral Otto Schniewind. They were charged with criminal responsibility in the invasion of neutral countries, the murder of military prisoners and the murder of civilians in occupied lands.

At Dachau, American war-crimes judges handed down decisions in their last nineteen cases and turned the notorious former Nazi concentration camp over to German authorities for an ordinary prison. In their last case there, Hans Moeser, commandant of the Nordhausen concentration camp, was sentenced to death by hanging.

Snow Amuses Red Cartoonist

BERLIN, Dec. 30 (AP).—The political cartoonist of the Soviet Army newspaper "Taegliche Rundschau" depicted today two Americans standing shoulder deep in what the Russian represented as New York City's snowfall. One says: "Well, Jim, it seems to me that our idea of a 'cold war' has been entirely misunderstood by the powers above."

Pope Elevates Army Chaplain

Frankfurt, Germany, Dec. 30 (AP). United States Army headquarters announced today that Pope Pius XII had named Chaplain Leslie V. Barnes, of Cresco, Iowa, a domestic prelate with the title of right reverend monsignor. Father Barnes is executive to the chief of chaplains in the European command. Before entering the Army, he was chancellor to the Bishop of Lincoln, Neb.

Poland Adopts Bigger Budget

WARSAW, Poland, Dec. 30 (AP)—Parliament today approved a national budget for 19488 providing for a 23 per cent increase in expenditures for the Ministry of National Defense. Defense expenditures were listed as $316,000,000, as compared with $257,000,000 for 1947. Government expenditures generally were up 68 per cent.

Woman Is Shot By Yugoslav Guards

Trieste, Dec. 30 (A. P.).—The Venezia Giulia police said today that Yugoslav frontier guards machine-gunned a woman as she walked past a Yugoslav roadblock post toward the Anglo-American zone.

The police said the woman fell under the fire, but they were not able to tell whether she was killed.

VAN MEEGEREN, 57, FAKED ART WORKS

Painter Who Fooled Experts With Copies of Masters Is Dead—Aped Vermeer

AMSTERDAM, Wednesday, Dec. 31 (AP)—Hans Van Meegeren, a Dutch artist who fooled some of the world's art experts by faking old masters, died in a hospital last night of a heart ailment. His age was 57.

He was sentenced on Nov. 13 to one year in prison on charges of fraud. The prosecution said he had signed the names of such old masters as Vermeer and Pieter De Hooch to his paintings and sold them for approximately $2,800,000. Buyers included the late Hermann Goering and the Rotterdam Museum.

Soon after sentence was passed Van Meegeren was taken to a hospital, where he remained suffering from a heart malady.

At the time of the trial the courtroom had the appearance of a picture gallery, with the paintings connected with the case hanging on the walls. The paintings included the "Men of Emmaus," which was sold before the war to the Rotterdam Museum after internationally recognized art experts had certified its authenticity. Chemical and X-ray tests proved the paintings were not the masterpieces of some of the great seventeenth-century artists they were represented to be.

Van Meegeren said he painted the pictures not for the money, but to prove to the world that he was a great painter.

Result of Frustration

Hans Van Meegeren turned to forging the works of Vermeer as the result of frustration after art critics had condemned his work while a young man. He planned revenge, and lived to see the critics, fooled by the "Vermeer" signature, hail his forgeries as among the best of the old master's work.

His best "Vermeer" was a portrayal of Christ breaking bread with His disciples at Emmaus, which was sold for half a million guilders and hailed by the critics as a painting of rare technical and spiritual value. "From the point of view of psychological penetration it exceeds any of Vermeer's known paintings," one critic said.

After the work had been exposed, another critic explained that "we failed to see the lack of real religious sense in Van Meegeren's work because we no more than he live with our Bible daily in our hands He could have been a successful commercial artist, that's all."

Made Plans in Nice

It was between 1928 and 1932, after his bitterest dispute with the art world at The Hague, that, stung by the persistent claim that he was a "second-rater," Van Meegeren went to Nice, and there conceived his plan to prove the charge false. He picked a blind spot of twelve years in Vermeer's life, and invented an Italian collection for the artist to fill in that period.

He considered five modern tests—style, chemical content of paint and canvas, X-ray, effect of alcohol on colors and employment of a lamp to detect overlays—and met all of them. "It was awfully hard work," he admitted afterward. "I never had any models. After you have painted two or three thousand heads in all lights it is not necessary."

Van Meegeren was accused as a collaborationist with the Nazis, but the charge did not stand up in view of the fact that he had fooled Goering completely. He got $256,000 out of the erstwhile second-ranking Nazi for "an original Vermeer."

Greek Commando Units Lob Shells Onto Guerrillas

CHAKALES

Athens, Dec. 30 (AP)—Regular Greek army forces lunged tonight to within light-artillery range of guerrillas besieging Konitsa after Greek commando units knocked guerrilla fighters off mountain heights dominating the strategic Bourozani bridge, 11 miles west of Konitsa.

Military informants said the bulk of the relieving 8th Division was only 3 miles from the bridge. Greek artillery units were already reported lobbing shells into the Communist-led forces north and west of Konitsa.

Opens Way For Relief

The defeat of the guerrillas atop the snow-covered Vigla heights dominating the bridge opened the way for full-scale reinforcements to the beleaguered garrison in Konitsa. A Ministry of War communiqué said rebel resistance was "petering out."

Military observers here said Konitsa was virtually out of danger unless an international brigade—reportedly formed in Albania—should come to the aid of the guerrillas.

The guerrillas sought to capture Konitsa, only 5 miles from the Albanian border, as a capital for the separate Greek Communist state proclaimed by the guerrilla chieftain, Gen. Markos Vafiades.

Called Abortive Attempt

Konitsa has been under siege since Christmas Day and military informants said the drive upon the city was "an abortive attempt to capture Konitsa as a Christmas present to the Markos rabble government with no less than 10,000 men."

The guerrilla forces were reported retreating northward from the battle zone immediately south of the Bourozani bridge.

The Konitsa garrison and all outer defense points were still intact, "having repelled all attacks launched thus far," a communiqué said. The violence of the guerrilla assaults had subsided considerably due to "heavy losses inflicted by the army and air force," the bulletin added.

With Armor And Aircraft

The 8th Division launched a full-scale offensive yesterday with armored cars and tanks supported by planes that swept away guerrilla strong points on both sides of the Ioannina-Kontisa road north of Kalpalki to the bridge. The guerrilla road blocks at Mesovouni, Kephallovoulgara and Pellekenia were liquidated.

Military observers said the amount of ammunition expended by the rebels could not be measured, and actually surpassed the fire power of Greek forces in many instances. The communiqué told of "piles of discharged shells" found around the bodies of leftist fighters.

Greek authorities said the guerrillas were employing 65 millimeter guns, which have never been used

DEC 1947

by the Greek army and which must have come from abroad.

Premier Issues Statement

Premier Themistokles Sophoulis issued a statement saying there was "no more reason for unrest" and only a few more days were needed for "fully clearing up the situation, which is very good."

He said "our army is worthy of the gratitude and confidence of the nation, but above all one must praise the heroism of the Konitsa garrison, which proved indeed worthy of admiration."

Competent military authorities here said the attack on Konitsa was "well conceived and part of an elaborate plan by staff officers and a piece of serious business." They claimed the guerrilla bands had no leadership capable of such an operation, which they said was "obviously the work of foreigners."

Veteran Of British Drive

The commandos who succeeded in driving the guerrillas from the peaks in the battle for the Vigla heights were under the command of Major Zacharkis, a veteran who fought with the British 8th Army in North Africa. They were trained for the gruelling mountain warfare.

Earlier military spokesmen in Athens had predicted success in the battle for the heights, unless an "unforeseen" development occurred. This was an obvious reference to a possibility that the guerrillas might be reinforced by an "international brigade" reported in Albania.

The conservative newspaper *Ethnos* said such a brigade was moving toward the Greek frontier. Official confirmation was lacking but some military leaders said the possibility could not be excluded.

Called Decisive Battle

The fighting for Konitsa, only 5 miles from the Albanian border, was described by military men as a "decisive battle" to prevent the guerrillas from capturing the town as a capital for the Communist state proclaimed by Vafiades.

The Konitsa garrison and all outer defense were intact this morning after 24 hours of savage fighting, a communiqué said.

Press dispatches described the fight for the town last night as a "night of crisis" and said the defensive perimeter was filled with the bodies of guerrillas who died in vain attempts to storm the city.

A guerrilla broadcast said Konitsa had been entered from the southwest last night and fighting was proceeding in the heart of the city, but this was not borne out in official quarters in Athens.

Move Trickle Of Supplies

Government troops already had managed to hack out a mule trail to Konitsa in bloody hand-to-hand fighting that drove the guerrillas from the Grambala heights, but only a trickle of supplies could be moved over this snow-covered and not too secure route.

The guerrillas were using 20-millimeter machine guns as anti-aircraft batteries against Greek air power, and managed to score only one hit on a plane yesterday, advices here said. The guerrillas were also reported using trenches dug during the Italian campaign against Greece in 1940.

The noon communiqué issued by the War Ministry in Athens said:

"The Konitsa situation is unchanged and satisfactory. The guerrillas on the heights north of Kalpaki have been overthrown in the general direction of the Bourozani bridge after tough and stubborn fighting, in which they suffered heavily.

Air Force Given Credit

"The Air Force is contributing considerably. A strong wind of national feeling is blowing among the officers and men, despite obstacles."

In Salonika the United Nations special commission on the Balkans unanimously passed a resolution saying any recognition of the Communist state in Greece, followed by "indirect or direct" aid to the Vafiades regime, would constitute "a threat to the maintenance of international peace and security." UNSCOB has an observer team in the battle area.

Communist newspapers in Europe have predicted the Soviet satellite states—including Greece's northern neighbors, Yugoslavia, Albania and Bulgaria—would extend such recognition.

Communist Archives Seized

Police seized archives and headquarters of the Communist party in Piraeus, port of Athens. The Greek Government on Sunday published drastic laws aimed at Communists and their fellow sympathizers.

[In London the Greek Office of Information issued a statement accusing "Communist guerrillas" of large-scale atrocities in towns and cities of Greece. The statement listed nearly 500 instances of alleged crimes by guerrillas "against the innocent population" for the period July 16 to November 15 of this year.

[The statement said that if occasional reprisals against the guerrillas occurred "these have been committed in the majority of cases by individuals whose relations have been the victims of guerrilla terrorism."]

Konitsa Rebels' Strongpoints Smashed

DEC 1 1947

Athens, Dec. 30 (AP)—Greek Government forces smashed guerrilla defenses today on heights protecting rebel strongpoints and reinforcements began pouring through the break toward the besieged garrison in Konitsa, military authorities reported.

The Government troops, commandos under a seasoned commander, successfully assaulted Vigla Heights, dominating a bridge held by the rebels, the informants said. The bridge was the key to reopening fully the garrison's communications.

Konitsa has been under guerrilla seige since Christmas Day. The guerrillas sought its capture as a capital for the Communist state in Greece proclaimed by their commander, Gen. Markos Vafiades.

Had Hurled New Attacks

The informants said the guerrillas had hurled new attacks against the defending garrison in what was described as a decisive battle. Guerrillas defending the outpost at Vigla Heights, the informants said, fled either toward their own main lines at Konitsa or toward the Albanian border, 5 miles away.

Government troops captured the last strongly-held guerrilla position on the Ioannina-Konitsa road late in the day, paving the way for a heavy flow of reinforcements and supplies, the authorities said.

The Government garrison, weakened by the repeated assaults, withstood the new attacks and kept outer defenses intact after twenty-four hours of fighting, a Government communique said. Army reinforcements slogged toward the fighting zone.

Red Headquarters Seized.

Meanwhile, the Greek police seized the headquarters and records of the Communist party in Piræus and placed the building under guard. There were no arrests. Legislation outlawing the Communist party in Greece became effective Sunday.

Situation "Satisfactory"

Dispatches said the fighting in the north was often bloody and savage, but a Ministry of War communiqué said the situation is "satisfactory."

"Guerrillas on the heights north of Kalpaki have been overthrown in the general direction of Bourozani Bridge after tough and stubborn fighting during which they suffered heavily," the bulletin said. "The air force is contributing considerably. A strong wind of national feeling is blowing among the officers and men, despite obstacles."

Hand-To-Hand Fighting

Government troops breached the rebel lines this morning by driving guerrillas out of Gambala Heights in hand-to-hand fighting.

The guerrillas earlier re-established their ring around Konitsa after Greek forces had broken their lines just long enough to get a brigade of reinforcements inside the city. Fresh guerrilla battalions arrived from Albania.

The rebels poured artillery fire into the city and were reported to have used trenches dug during the Italian campaign in 1940.

A Government general staff spokesman said that guerrilla strength now stood at about 29,000 men, 15,000 of them in the northwestern battle area around Konitsa. This estimate of the rebel strength was 11,000 higher than previous figures.

United States military observers were reported in the battle area.

'Gen. Markos' Is Title Of Greek Reds' Chief

ATHENS, Dec. 30 (AP).—So far as can be learned, Markos Vafiades is the real name of the man who has proclaimed a "free" Communist state in northern Greece.

Like Premier Marshal Tito (Josip Broz) of Yugoslavia, Vafiades prefers to be known by a single name. His followers call him General Markos.

The last name is pronounced vah-fee-AH-des. Translated literally, it means "son of a house painter."

Russ Price Policy Urged For Britain By Pravda

DEC 1 1947

Moscow, Dec. 30 (AP)—*Pravda* suggested today that Britain could overcome her economic ills by following Russia's lead in abandoning rationing and revaluing her money.

The idea was put forward in a three-column front-page editorial in the Communist organ just three days after Britain and Russia concluded a short-term trade agreement which, it has been intimated, may lead to a long-term pact next spring.

"Today, in England," *Pravda* said, "they are not establishing economic order by the necessary financial reforms and by complete cancellation of the rationing system, but they are instead applying all kinds of rationing which are progressively worsening the already difficult life of the broad mass of the population."

Pravda's Boast

Pravda boasted that Russia was the only country "to carry out such monetary reforms with a simultaneous drop in prices."

"No bourgeois state," it added, "has yet attempted any such reforms in the interest of bettering the material state of its people. Let the bourgeois governments take a stand on this path if the interests of their workers are dear to them in any way."

Pravda denied that there was any inflation in the Soviet Union.

"The strengthening of the monetary system, the growth in production of consumer goods, the development of open Soviet trade with a reduction in prices," it said, "will make possible a further cutting of prices in the future—all of which will increase the realistic wages of the workers and the income of collective farmers. That's why we do not and will not have inflation."

[The Russian Government ended rationing in mid-December and simultaneously revalued the ruble in a move to halt inflation. Washington dispatches yesterday said that confidential reports to the State Department from the American Embassy in Moscow told of continued shortages and increasing prices despite these measures.]

47 DIE, 49 HURT IN WILD BATTLE AT HAIFA PLANT

C. L. DAVIDSON

Tossing of Bomb by Irgunists Touches Off Holy Land's Bloodiest Clash.

OTHER VIOLENCE FLARES

Two British Policemen Are Killed in Jerusalem Attack.

JERUSALEM, Dec. 30 (AP)—A bomb tossed outside a Haifa oil refinery today killed six Arabs and touched off a wild battle inside the refinery in which enraged Arab workers hammered and stabbed to death 41 Jews in the biggest bloodletting since the United Nations decision on partition.

The wounded included 42 Arabs and seven Jews.

In addition to the melee that raged through the tangled pipes and stills of the refinery other Palestine violence raised the death toll for the day to 53. The unofficial death count since the Nov. 29 partition decision mounted to 482. For the entire Middle East the toll was 603.

Irgunists Hurl Bomb

A Jewish source said Irgun Zvai Leumi, Jewish underground group, hurled the bomb from a Jewish taxi into a line of 100 Arabs waiting outside the employment office of the Consolidated Refinery, which is owned jointly by the Shell and Anglo-Iranian Oil Company.

Irgun made the bomb attack yesterday at Damascus Gate in Jerusa-

DEC 1947

30.24- 14545

alem that resulted in the death of 15 persons, including 12 Arabs.

When word of today's bomb attack spread inside the refinery the fury of the 1,800 Arab employes exploded in a fierce attack upon 400 Jewish workers. Cries of the wounded and the angry shouts of the Arabs rose over the port area as the battle raged.

Red-bereted Sixth Airborne troops veterans of Arnhem and the Rhine, stormed into the sprawling refinery battlefield and succeeded eventually in restoring order. Refinery officials closed down when the army moved in. No estimate of damage was available.

The attackers who hurled the bomb fled in the taxi under their own protective gunfire.

Police aided the troops in the riot area of Haifa and opened fire to restore order. Shops in Haifa closed down in fear of fresh outbreaks.

British Police Killed

Two attacks in Jerusalem this afternoon killed two British policemen, police said. One was felled by machinegun fire which blazed from the vicinity of the Church of All Nations in the Garden of Gethsemane during a funeral procession headed toward the Mount of Olives. A short time later a hand grenade killed another as he walked in the Jewish quarter.

Elsewhere in Palestine sporadic sniping continued but there were no major incidents. The biggest was the machinegun attack on a busload of nurses and other Hadassah Hospital employes by Arabs near Jerusalem. Fourteen were wounded.

Shots were heard intermittently from inside the old walled city and there was firing between Jewish and Arab quarters in the coastal plain area. Four Jewish homes were set afire in the Tel Aviv-Jaffa battle zone.

Two Arabs were killed during the day in incidents outside Haifa—one a woman accidentally shot by fellow villagers practicing marksmanship. One Jew was killed in a settlement near Galilee.

Arab bullets slashed into a convoy of cars travelling from the potash works on the Dead Sea to Jerusalem but only minor casualties were reported.

The communal violence has virtually paralyzed mail service. The Jerusalem postoffice was closed by a strike of Jewish workers who demanded better security precautions.

Refinery Rioting Kills 41 Jews And 6 Arabs

DEC 1947

Jerusalem, Dec. 30 (AP)—Six Arabs and 41 Jews were killed today in a bitter battle in the Consolidated oil refinery in Haifa during the most severe communal clash since the United Nations decided to partition Palestine.

The casualties previously were announced as eleven Arabs and 36 Jews.

Bloody fighting among about 1,800 Arabs and 400 Jews followed the bombing of a line of 100 Arabs before the employment office. At least 14 Jews and 47 Arabs were wounded.

A Haifa informant said the bomb was thrown from a passing Jewish taxi, which sped away, covering its escape with gunfire.

Most of the Arabs apparently were killed by the bomb, which shattered two days of quiet in the port city and set off reprisal attacks by Arabs on Jewish workers in the large refinery on the northern outskirts of Haifa.

British Halt Bloodshed

British troops roped off the plant and fought their way through refining stills and tanks to halt the bloodshed.

A Jewish source said the bomb probably was hurled by members of Irgun Zvai Leumi, the Jewish underground organization which yesterday blasted and machine-gunned Arabs at the Damascus gate in Jerusalem.

Three British policemen were killed in two attacks in Jerusalem during the day. Authorities said one died in machine-gun fire from the vicinity of the Church of All Nations in the Garden of Gethsemane. A hand grenade killed two others in the Jewish quarter.

The fatalities increased to 481 the number killed in Palestine since the United Nations decision November 29 to partition the country. Throughout the Middle East 602 have been killed.

Jew Slain In Galilee

Before the battle of the Haifa refinery a Jew was shot to death in a Jewish settlement in Galilee. Eight other Jews were wounded in the borderland between Tel Aviv and Jaffa. Jewish informants said two Jews invaded Jaffa with a truck and threw grenades with undetermined results.

Moshe Shertok, head of the Jewish Agency's political department, returned by air from the United States. He conferred at Tel Aviv with David Ben-Gurion, chairman of the Jewish Agency executive.

Handles Iraq Oil

[The Haifa refinery is operated by Consolidated Refineries, Ltd., which is owned jointly by the Shell and the Anglo-Iranian Oil companies. The plant's capacity is 4,000,000 metric tons a year. It handles oil from the Iraq fields, which moves in by pipeline.]

Arabs, irked by Jewish punitive raids for three successive days, took the initiative in earlier communal rioting in Palestine today.

Arab machine gunners raked a Jewish bus halfway up Mount Scopus on the outskirts of Jerusalem, wounding fourteen Jews—two of them seriously. Police said the bus was loaded with nurses and other Hadassah Hospital employés en route to work.

In Jerusalem, British military authorities banned Jewish taxis from the streets beginning at 6 A.M. today to prevent further use of these vehicles by Jewish raiders.

Ships Reported Nearer

Reports continued to circulate that two large ships bearing 14,000 European Jews were nearing the Palestine coast in the biggest single mass attempt to circumvent British immigration restrictions.

The reports—which said the Jews had sailed from Black Sea ports—brought from an Arab League spokesman an assertion that the "Communist influence" would not be long in making itself felt should the refugees enter Palestine.

The spokesman said it was not unreasonable to suppose that among these Jews embarked in the Soviet zone of influence there would be a strong corps of "well-indoctrinated young Communists and trained cell organizers."

PLAN EX-KING'S BURIAL

Alexandria, Dec. 30 (A. P.).—Arrangements for the funeral of former King Victor Emmanuel III of Italy were delayed today pending the arrival from Portugal of his son, ex-King Humbert II.

Humbert is scheduled to arrive in Cairo today because the commercial airliner in which he was traveling from Lisbon was held up by bad weather. The Egyptian Government, meanwhile, went ahead with tentative plans for a full military funeral for the former Monarch, who died Sunday at his Alexandria villa at the age of 78.

The late King's secretary said that tentative plans called for burial to take place in a vault of the Sacred Heart Church in Ibrahimia, a suburb of Alexandria. The vault belongs to the widow of a British business man, Oswald Finney, who is buried there. Large numbers of visitors were going today to the villa where the ex-King's body lies. Victor Emmanuel's expressed wish that his body was not to be embalmed will be respected, the secretary said.

Kashmir Issue To Go To U.N.

DEC 1947

New Delhi, Dec. 30 (Reuter)—The Government of India has decided to refer the Kashmir issue to the Security Council of the United Nations.

The Pakistan and other Dominion representatives in New Delhi were informed of the decision after a meeting of the Indian Cabinet this afternoon.

India's report to the Security Council, which runs to "less than ten pages," is understood to refer particularly to Pakistan's participation in what are now regarded here as "undeclared hostilities against a friendly neighboring country."

India, it is understood, is submitting the issue "without prejudice to the Government of India's activities within Kashmir in clearing out the raiders."

3 Oil Firms Resume New Guinea Operations

BATAVIA, Dec. 30 (AP).—Three American oil companies have resumed operations in New Guinea in a project that may lead to discovery of great quantities of oil in Asia.

They are Shell, Standard-Vacuum, and California-Texas Companies which have consolidated for the venture under the corporate name of Netherlands New Guinea Petroleum Co.

All fields being worked were heavily bombed during the war. Three fields in Borneo—Tarakan, Louise, and Sambodia—have resumed operations and by end of 1948 are expected to be producing 100,000 tons of kerosene, gas oil, fuel oil and paraffine monthly.

U Saw and 8 Are Doomed as Burma Slayers

Pre-War Premier Refuses to Be Handcuffed, Takes Death Sentence Calmly

RANGOON, Dec. 30 (AP).—A special Burmese tribunal sentenced to death today U Saw, pre-war Premier of Burma, and eight others for the slaying last July of Major General U Aung San and six other Burmese Cabinet ministers.

The sentence, proclaimed in a packed courtroom, was meted out only six days before Burma will receive its independence from British rule.

Aung San, who was slated to become Premier of an independent Burma, played an important part in the negotiations which will culminate Jan. 4 in Burma's Independence Day.

The tribunal found that U Saw leader of the opposition Myochit party, was the brains behind the plot in which five assassins burst into the ministers' council chamber July 19 and sprayed it with machine-gun bullets. The attackers escaped.

The forty-five-year-old U Saw, long a foe of Aung San, took the decision calmly. When police tried to handcuff him before leading him from the prisoner's dock he said, "Why should I be handcuffed? It's unnecessary. I'm going quietly." A court official said handcuffs would not be needed.

U Saw was arrested soon after the assassination. In all, 340 persons were apprehended in the slayings, including former Premier Ba Maw, who was released last week after four and a half months in jail.

U Saw had been removed from the Premiership by the British during the war. They had suspected him of collaborating with the Japanese. Aung San had fought on the side of the anti-Japanese underground during the occupation.

With the end of the war, U Saw returned to politics and became a member of the Governor's Executive Council. He resigned in protest against the signing in London by Aung San of the agreement under which Burma will receive its independence.

One defendant, Ba Nyun, who turned state's evidence, was acquitted. All had pleaded not guilty at their arraignment Nov. 4.

U Saw, 8 Others Condemned

DOUGLAS LACKER-STEEN 1947 DEC

Rangoon, Burma, Dec. 30 (AP)—U Saw, prewar Premier of Burma, and eight others were sentenced today to die for the assassination of Maj. Gen. U Aung San and six other Burmese Cabinet Ministers.

A special Burmese tribunal found that U Saw, leader of the opposition Myochit party, was the brains behind the plot in which assassins burst into the Ministers' Council Chamber July 19 and sprayed it with machine-gun bullets.

The 45-year-old U Saw long had been at odds with Aung San, anti-Communist leader who was to have become the first Premier of independent Burma in January. He was arrested shortly after the assassination.

Removed From Post

U Saw was removed from the premiership by the British during the war on suspicion of collaboration with the Japanese. He returned to political prominence after the war's end. He resigned from the Governor's Executive Council in protest against the signing in London by Aung San of the agreement under which Burma will become self-governing. Since that time he devoted himself for the most part to his newspaper, the *Sun*, in which he wrote a daily political column.

Himself the target of assassins' bullets in 1946, U Saw since that time had attended public gatherings only with an armed guard.

One defendant, Ba Nyun, who had turned state's evidence, was acquitted by the court.

A packed court room saw U Saw take the death sentence calmly. But when the police tried

to handcuff him before leading him from the dock, his face flushed and he shouted: "Why should I be handcuffed? It is not necessary. I'm going quietly." A court official told the guard to omit the handcuffs.

Red Spearhead Within 6 Miles Of Mukden

S. MOOSA DEC 1947

Peiping, Dec. 30 (AP)—The crucial battle for Mukden became more tense today as Chinese Communist regulars, attacking in strength, battled to points only 6 and 8 miles from the city proper.

The sounds of cannonading could be heard clearly in the isolated city, dispatches said. Government censors permitted Chinese correspondents there to report that extreme unrest resulted from the sudden unfavorable turn in the battle.

One dispatch reported that a spearhead of three Red divisions was attacking National positions only 6 miles north of Mukden. A second said a column of 20,000 had begun assaults on bastions only 8 miles southwest.

Planes Supply Ihsien

Elsewhere throughout Manchuria the Communists likewise pushed the fighting. National war planes were reported supporting defenders at Ihsien, parachuting supplies and strafing the attackers. Ihsien, 120 miles west of Mukden, is the junction of the Manchuria and Inner Mongolia rail systems.

Communists attacking Changwu, communications hub 60 miles northwest of Mukden, were reported to total more than 40,000, including 300 Japanese artillerymen.

The battle at Changwu was described as the most severe of all now raging in Manchuria.

Paoting Lines Cut

Severe fighting was also reported along the Peiping-Hankow railroad at points ranging from Chohsien, 35 miles southwest of Peiping, to the outskirts of Paoting. Nationals reported that overland communications with Paoting had been cut.

Seven Red columns, comprising 21 divisions, were reported in action in this one north China sector, where fighting has been going on intermittently since V-J day.

Communists continuing their attacks on other north China rail lines blew up a coal train on the Peiping-Chengteh railway, 20 miles south of the Great Wall and damaged the Tientsin-Pukow line at four points south of Tientsin.

Reds Ousted From 2 Stations

The Nationals said they had ejected Red troops from two stations on the Peiping-Suiyuan railroad, 20 miles northwest of Peiping, after clashes in which 500 Communists were killed.

[An informed National military source in Nanking said the South Shansi province city of Yuncheng had been lost to the Communists, Saturday.

[Six National brigades rushing to the aid of the city were intercepted 13 miles south of the city where fighting is continuing, the source said.]

Russia Denies Charge

Meanwhile, Soviet Consul-General Sergei Tichvinsky denied Chinese General Hsu Chi-ming's accusation that Russia was supplying arms, communications equipment and advice to Chinese Communist troops.

"My government recognizes only one government in China—the National government—and is not supplying the Communists with anything," Mr. Tichvinsky told newsmen. "This is a 100 per cent denial."

General Hsu's statement to interviewers yesterday was the first open accusation of Russia by a responsible Chinese official.

Chinese Demand Russ At Peace Parley

Shanghai, Dec. 30 (AP)—Influential Chinese here are urging their Government to stay away from any Japanese peace conference in which Russia is not a participant.

This view is set forth in an unusual article appearing in the liberal *Ta Kung Pao*, signed by 52 persons including the newspapers' editors, bankers and business men.

The *Ta Kung Pao* has a record for independent thinking. Owned by the political science clique of the Kuomintang (governing party), it has also been a sounding board on occasion for the Government.

The article asks the major powers to accept the Chinese Government proposal for calling a preliminary peace conference of eleven nations, with China, the United States, United Kingdom and Russia exercising virtual veto power.

Egal Dies In China

Hong Kong, Dec. 30 (AP)—J. B. E. R. Egal, 52, organizer of a Free French movement in Shanghai after France surrendered to Germany, died today after a kidney operation.

Bank of Japan Note Issue Soars

TOKYO, Dec. 30 (AP)—The note issue of the Bank of Japan reached 220,919,000,000 yen ($4,418,380,000) today. That is an increase since the beginning of December of 18,500,000,000 yen, or roughly two and a half times the increase for December, 1946.

Two Yank Flyers Killed

Kure, Japan, Dec. 30 (AP)—Two American 5th Air Force pilots were killed yesterday when their Mustang planes collided as they made a farewell flight over the Bofu airbase of the British occupation forces. Both bodies were recovered but names were withheld.

Holiday Delays Unloading

Yokohama, Dec. 30 (AP)—The army transport General Eltinge arrived today, but unloading of cargo has been put off until Japanese longshoremen finish their three-day New Year's holiday. The Eltinge will sail for Seattle on January 5 or 6.

Number Of Troops Fixed

Rio de Janeiro, Dec. 30 (AP)—President Dutra signed today a measure fixing the enlisted personnel of Brazil's peacetime armed forces at 172,400. No figures were given on the number of commissioned officers or reserves.

U.S.-PANAMA TALKS PUT OFF

DEC 1947

President Jimenez (30) Appoints New Cabinet

Panama, Panama, Dec. 30 (AP)—President Enrique Adolfo Jimenez, who appointed a new Cabinet today, told a news conference he did not believe it was a propitious time to initiate new negotiations for an agreement on United States military bases on Panama soil.

All members of Jimenez's Cabinet resigned October 31 during negotiations between Panama and the United States over continued use by the United States of defense bases in Panama.

A signed agreement between the two countries leasing to the United States thirteen defense sites and a large airbase was rejected by the Panamanian National Assembly December 22.

Role In Negotiations

Mario de Diego, who took a prominent part in the lease negotiations as Under Secretary in the Foreign Ministry, was named Foreign Minister. Others appointed were: Manuel Varela, Minister of Education; Guillermo Mendez, Public Works; Catalino Arrocha, Agriculture and Commerce; Juancho Morales, Finance; Eduardo Icaza, Social Welfare; Jacinto Lopez, Government and Justice.

Asked if his appointment of de Diego could be considered an indication that Panama was leaving the door open for new negotiations with the United States, Jimenez said he would make no comment except that the present time was not favorable for such discussions.

Hines Returns

He said he had not yet discussed the matter of the rejection of the agreement with Brig. Gen. Frank T. Hines, United States Ambassador, who returned from Washington yesterday after conferring with President Truman.

Jimenez said that although there is some communism in Panama, he did not believe Communistic action was responsible for the National Assembly's rejecting the agreement.

Mexico Oil Output Best Since '38 Expropriation

MEXICO CITY, Dec. 30 (AP).—The government-owned oil monopoly, Pemex, said today 1947 production would be about 55,000,000 barrels, highest since Mexico's oil expropriation of March, 1938.

Mexico's oil production in 1937, the last full year of operation under foreign ownership, was 64,000,000 barrels on the basis of a report by the Secretary of National Economy.

Production during 1938 was 38,500,000 barrels, a sharp drop from the previous year and owing largely to the unsettled situation in the oil fields caused by the expropriation.

Mexico's oil production is still far short of the peak reached in 1921 under foreign ownership, when Mexico's wells produced 193,198,000 barrels, about 25 per cent of the world's oil production.

Canada Names U. N. Adviser

OTTAWA, Dec. 30 (AP)—George Ignatieff of the External Affairs Department has been appointed chief adviser to Canada's permanent delegation to the United Nations in New York, a Government spokesman said today. Mr. Ignatieff, who comes from Toronto, has been working with Gen. A. G. L. McNaughton on the United Nations Atomic Energy Commission and was a member of the Canadian delegation to the last United Nations General Assembly.

U.N. Palestine List Complete

M. HARRELSON

Lake Success, Dec. 30 (AP)—The composition of the five-member United Nations Palestine Commission was completed today when the last two members—Bolivia and Czechoslovakia—named their representatives.

Denmark, Panama and the Philippines had already sent in the names of their delegates to Secretary General Trygve Lie.

The commission will hold its first meeting January 9 to draft plans for putting into effect the General Assembly's scheme to partition the Holy Land.

Under the United Nations plan the commission has full responsibility for setting up provisional governments and security forces in the proposed Arab and Jewish countries which will take over when the British withdraw.

Commission Members

The membership of the commission is:

Denmark—Per Federspiel, former Danish Minister of Special Affairs.

Panama—Dr. Eduardo Morgan, former Minister of Education.

Bolivia—Raul Diaz de Medina, Minister-Counselor in the Bolivian Embassy in Washington.

Czechoslovakia—Dr. Karel Lisicky, member of the Czech United National delegation.

Philippines—Vincente Francisco, majority floor leader in the Philippine Senate.

One of the first problems of the new commission will be to negotiate with British Delegate Sir Alexander Cadogan for permission to enter Palestine at an early date.

British Wishes

The British Government has indicated it would like the commission to stay away until shortly before termination of the League of Nations mandate, now scheduled for May 15.

High United Nations officials, however, feel that the commission should arrive in the Holy Land by January 30 at the latest if it is to have the necessary time to fulfill the obligations placed on it by the Assembly.

Under the Assembly plan, the commission is instructed to have the two provisional governments set up by April 1. If it accedes to the British desires, the commission would not arrive in Palestine by that time.

UN SCORED GAINS DURING PAST YEAR

DEC 1947

LAKE SUCCESS, Dec. 30 (AP)—Despite the current world tension, the United Nations has pushed forward on many fronts this year and promises even greater progress in 1948 on such vital problems as world health, food shortages and refugees.

In most cases, this progress has been overshadowed by the more spectacular political clashes but U. N. officials point with pride to the records of achievement in the non-political fields.

Aid for Needy Children

For example, needy children are now being fed in nine European countries through the international children's emergency fund which was established last year by the U. N. These countries are Austria, Bulgaria, Czechoslovakia, Finland, Greece, Hungary, Italy, Poland and Romania.

Food shipments already have been sent to Albania and Yugoslavia in preparation for child-feeding in 1948 and shipments soon will go to France and to several areas in the Far East, including China. By the end of 1948, 3,500 000 children will come under the feeding program, officials say.

The World Health Organization (WHO), one of the 11 specialized

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DEC 1947

agences of the U. N., played a major part in checking the recent cholera epidemic in Egypt although the WHO still is operating as an interim commission.

The International Refugee Organization, in its first six months of operation, has cared for an average of 650,000 persons a month in displaced persons camps in Germany, Austria, Italy and the Middle East. It has re-established more than 100,000 others.

The food and agricultural organization has sent missions to several countries to help them rehabilitate their agricultural systems and has furnished experts to several countries on special assignments. It also has held numerous conferences at which plans were adopted to tackle various agricultural problems.

Bank Begins Operations

The international bank began its first lending operations, with loans of nearly $500,000,000 to France, the Netherlands, Denmark and Luxembourg. The international monetary fund made available to its members a like amount.

U.N. officials admit that the achievements of the specialized agencies were far short of what they eventually hope to do, but they maintain that all of them have made a good beginning in the face of the present international difficulties.

The heads of almost all the agencies, looking forward to 1948, predict greater progress, but they do not minimize the difficulties ahead.

Gromyko Urges Early Entry Of U.N. Group

New York, Dec. 30 (AP)—Andrei A. Gromyko, Russia's representative to the United Nations, called tonight for early entry of a United Nations commission into Palestine, prior to the withdrawal of British troops.

Gromyko said it would be "an abnormal situation" if the United Nations commission on Palestine remains at Lake Success a considerable time instead of going to the Holy Land to learn the state of affairs there and to carry out the partition plan.

In an address at a dinner meeting of the American Committee of Jewish Writers, Artists and Scientists, Gromyko said British authorities in Palestine reportedly do not plan to admit the United Nations commission until "British troops are withdrawn from considerable areas—May 1 or June 1, 1948."

"Let us hope that Great Britain will yet co-operate with the commission in the solution of this question."

Snow-Clogged Roads Delay U.N. Meeting

Lake Success, N.Y., Dec. 30 (AP)—A meeting of the United Nations Security Council was delayed for an hour today because of snow-clogged roads.

Andrei A. Gromyko, Soviet Deputy Foreign Minister, arrived in a jovial mood. Asked what he thought of the New York snowstorm, he smiled and asked:

"Nobody blames the Soviet Union?"

U. S. in Warning Against Recognizing 'Free State'

WASHINGTON, Dec. 30—(AP) The United States warned Russia's Balkan satellites today that any move to recognize the Greek "free state" proclaimed by Communist guerrillas would flout the will of the United Nations assembly.

Undersecretary of State Robert A. Lovett said that any such action would have "serious implications" and added that what the United States might do would depend on circumstances.

He told a news conference that the American mission in Greece has under constant consideration the question of diverting more American aid funds from economic purposes to supplying equipment to the Greek army.

The warning against diplomatic recognition was given in a sharply worded statement which was the first official United States reaction to the proclamation of the guerrilla rump state. It was directed at foreign nations in general, with particular reference to Yugoslavia, Albania and Bulgaria, to whose borders with Greece the UN assembly dispatched a special Balkan watch commission this fall.

FOREIGN BILL FOR YEAR MAY TOP BILLION

Figure, For 12 Months Starting July 1, Excludes Marshall Plan

Washington, Dec. 30 (AP)—Six Western Republican senators learned in a conference with Senator Vandenberg (R., Mich.) today that the American bill for foreign expenditures outside of the Marshall plan may top $1,000,000,000 in the year beginning July 1.

The six, who called on Vandenberg informally for a discussion of long-range European aid plans, said they were informed Vandenberg, as chairman of the Foreign Relations Committee, will introduce the Administration's Marshall plan legislation as soon as Congress convenes January 6.

The group which called on Vandenberg included Senators Wherry, of Nebraska, Republican whip, Ball, of Minnesota, Knowland, of California, Brooks, of Illinois, Dworshak, of Idaho and E. V. Robertson, of Wyoming.

Appropriations Group Members

All except Robertson are members of the Appropriations Committee, which must pass on the amount of money to be made available for foreign spending. Knowland, Brooks and Dworshak were among senators who visited Europe last summer.

The $1,000,000,000 estimate for foreign expenditures outside of the European recovery program was reported by Wherry to have come up in discussion of outlays for American occupation and other projects abroad.

Described as a "wholly friendly meeting," the conference apparently furnished an opportunity for individual senators to air their views in advance of Foreign Relations Committee hearings on the Marshall plan beginning January 8.

Opposes "Political Loans"

Brooks was reported to have pressed home his contention that the program should be under "business" management, with no "political loans" to foreign governments.

The Illinois Senator has contended that business, labor and agricultural leaders should be pressed into service to direct a program aimed primarily at increasing European production. Brooks has been supported in this view by Wherry.

Knowland was said to have proposed that the United States insist on obtaining some strategic materials in return for its aid to western Europe.

One of the western Republicans who asked that his name not be used said supporters of the aid plan concede they "will have tough sledding" and tentatively plan for a month of public hearings be-

trying to obtain committee action.

Says Voters Approve

Robertson, only Republican present who voted against the interim aid program for Europe and China, is expected to oppose any appropriation approaching the $6,800,000,000 mentioned as the cost of the Marshall plan's first fifteen months.

"I am certain that Senator Vandenberg is seeking all Senate opinion on European aid in general," he said.

Robertson said voters in Wyoming apparently approved his vote against the interim aid program.

"I have had hundreds of letters and telegrams," he said. "Only two postals opposed my vote on that and one of those was under misapprehension."

TAFT CRITICIZES MARSHALL PLAN

ST. LOUIS, Dec. 30 (AP)—Expressing doubt that the Marshall Plan "will really do the good in Europe which is claimed," Sen. Robert A. Taft tonight described the nation's surplus of exports as "the most important cause of high prices today."

Passage by congress of the Marshall plan in the form proposed would "necessarily mean higher prices," the Ohio candidate for the Republican presidential nomination said in an address before the John Marshall Club.

In discussing the plan, Taft expressed belief "we tend to overestimate the importance of American dollars on foreign nations" and added:

"As far as I can discover much less than half of the sum asked is for relief or for food or for fuel. Most of it is to help build up European industry, a kind of a five-year plan like Stalin's, or like a European TVA. x x x

"I believe we should be generous but I do not think the lavish dispensation of American dollars is going to do as much to prevent Communism as a careful dispensation of aid to meet special problems. x x x

"The extent to which American shipments are really used to combat Communism may well depend more on the propaganda that is used than on what is actually supplied. A few boatloads sent through real charity such as the Friendship Train, may produce a better moral effect than billions used to bolster up the governments to be friendly to our cause."

DOUGLAS URGES U.S. BE TACTFUL IN AID PROGRAM

CHICAGO, Dec. 30—(AP) Justice William O. Douglas of the U. S. Supreme Court declared tonight that in extending aid abroad America must treat war victims as equals and not as if they can be "purchased with the dollar" or made "our satellites."

Douglas also appealed for greater application of the Constitution's Bill of Rights in this country, asserting that "a people who proclaim their civil liberties but extend them only to preferred groups start down the path to totalitarianism."

Talked as Running Mate

Douglas, who likes to be called a westerner although he spent much of his law teaching days in the east, has been mentioned as a possible running mate for President Truman next year.

Some elements in the Democratic party are expected to boom him stronger than ever, now that Henry Wallace has come out to head an independent presidential ticket in 1948. They describe Douglas as a progressive and express belief his nomination would help offset the effects of Wallace's bolt.

Douglas spoke at a dinner marking the 100th anniversary of the birth of John Peter Altgeld, German immigrant boy who became governor of Illinois in the nineties. Altgeld was a noted battler for social legislation and against what he considered denials of civil liberties. Declaring that they had been denied a fair trial, he pardoned three anarchists convicted of Chicago's Haymarket bombing of 1886.

Douglas praised him as one who "brought the brightest honor to the Democratic ideal."

Concerning aid to foreign nations, Douglas said:

"We must not manage this great crisis of democracy as if it were an auction—as if the peoples of the world were on the block and going to the highest bidder.

"The sensitiveness of people increases with their suffering. The peoples of the world have suffered beyond our comprehension. If we so manage this crisis as to leave the impression that our standards are mercenary, we will have generated a revulsion to our system which may be irreparable."

"Our Competitors"

"We must," he said, "reach behind the facade of ministers and cabinets and commissions and let the common people feel our warm handclasp."

"There are emissaries of totalitarian régimes in the capitals of the world bargaining with bags of wheat for the souls of men," he said. "They are our competitors; but we need not emulate their example."

"When Altgeld insisted that even anarchists were entitled to due process of law, he himself was labeled a subversive influence," Douglas related.

Temporary Hysteria

"That will often be said today when one insists that the safeguards of the Bill of Rights be extended to all groups, including any minority group in our midst that may be at the whipping post or the subject of temporary hysteria.

"Yes, it takes courage to stand between an unpopular minority and the community, insisting that our Bill of Rights was designed for the protection of all people whatever their race, creed or political faith."

Douglas referred to Altgeld as "a symbol of the clean, powerful force which we call American idealism."

DEC 1947

WALLACE OFFERS EUROPE AID PLAN

7-Point Program Would Be Administered by UN, He Says.

MILWAUKEE, Dec. 30—(AP) Independent presidential candidate Henry Wallace proposed tonight a seven-point "Wallace Plan," financed by all nations "possessed of the means" and administered by the United Nations, to rehabilitate the nations of Europe.

Wallace, who last night announced he would be a candidate for the presidency as an independent, said his plan "will guarantee that it is not directed against any country or doctrine but against hunger, poverty and chaos."

"We propose a plan of international action through the United Nations, not unilateral action by the United States," Wallace said. "Our plan will couple self-help with economic aid, all directed to the common purpose of rehabilitating the war devastated lands, strengthening world collaboration and promoting the cause of peace."

7-Point Plan

The "Wallace Plan" includes:

1. A proposal from the U. S. to the United Nations for the establishment of a UN reconstruction fund.

2. Administration of the fund by an agency of the UN established for that purpose.

3. The fund to be "made up of contributions appropriated by our Congress and other nations possessed of the means in an amount sufficient to finance an over-all five-year plan."

4. Priority in the allocation of funds to be given to those nations "which suffered most severely from axis aggression," with such allocations "based solely on these considerations of merit and need without regard to the character of the politics and social institutions of the recipient nations."

5. The allocation of funds "must be made with scrupulous respect for the national sovereignty of all beneficiary countries" and "there must be no political or economic conditions attached to loans or grants."

6. The entire fund "shall be used exclusively for peaceful purposes and no moneys shall be available to finance the purchase of military supplies, armaments or war preperations."

7. The German industrial heartland in the Ruhr Valley to be placed under international administration and control by the Big Four in order that its resources may be made available to aid in the reconstruction of Europe and "to guarantee that Germany shall never again be in a position to threaten the security of the world."

"These are essentials for world peace," Wallace declared. "I predict that unless our investments in foreign reconstruction are backed with sound domestic planning to control inflation, we shall witness a deadly resurgence of isolationism."

DEC 1947

Congress' Spending Record

By ARTHUR EDSON

WASHINGTON, Dec. 30—(AP)—The House appropriated money at the rate of $869,227.03 for each minute it was in session in 1947.

That was disclosed today when the Congressional Record came out with its year-end report card on Congress.

According to tabulations based on House Appropriations Committee figures, $35,779,122,960 was appropriated during the year.

And since the record shows the House was in session 144 days, or 686 hours and two minutes, this means the money rolled out at a $869,227 a minute clip.

But don't get the idea your congressman whoops off money without thinking. Actually, most of the work on appropriations is done in committee, where Congress often puts in hours cackling over chicken feed.

The record shows that:

The Senate met one less day, but talked longer. It bettered the House's 686 hours by putting in 807 hours and 36 minutes.

This means an average talk day of 5.6 hours for senators and 4.8 hours for representatives.

All this enabled the senators to fill 6,150 pages in the Congressional Record, while the house talked up 5,739 pages.

5,302 Pages of Appendix

In addition, another 5,302 pages were used up by the appendix—a hodgepodge into which is tossed almost everything a congressman sees or thinks about.

Congress kept busy approving appointments . . . Postmasters . . . to the Army . . . the Navy . . . Marines. They came at the rate of almost 300 a day. Total appointments confirmed: 39,855.

There were 2,312 measures introduced by the 96 senators, and 5,658 by the 435 representatives. The Senate passed 849 of these, the House, 1,029.

Did you ever say, "There ought to be a law"?

If you did, you've hit the jackpot.

During the year we got 526 new ones.

1947 SAW RECORDS ALL ALONG THE LINE

Commerce Department Reports New Marks in Production, Consumption, Prices

WASHINGTON, Dec. 30 (AP)—A Department of Commerce analysis tonight pictured 1947 as a record year when production, consumption and prices rose—especially prices.

Wholesale prices at the year's end were more than double those of 1939 and consumer prices, along with those received by farmers, were at a record high, the department observed.

It estimated 1947's gross national product—the total turn-out of goods and services—at more than $230,000,000,000, but it said rising prices had more to do with increasing it to this record figure than did rising production.

The up-trend that led to records all along the line began about mid-year, after a period of relative steadiness, and tied in with a mid-year business scene which the department pictured as follows:

"The program of aid to Europe developed, the incomes of wage earners, farmers and business men moved higher with the advance in prices and wage rates. Further impetus came from paying off a substantial portion of the terminal leave bonds held by veterans."

The increase in physical output in 1947 was most notable in construction and in manufacturing industries that turned out durable goods. The volume of farm output was described as "little more than in 1946," while in some non-durable goods manufacturing lines—particularly textiles—there was a decline in physical volume.

Some highlight figures in major economic segments as reported by the department:

1. National income flowing to individuals and corporations rose above $200,000,000,000.

2. Personal incomes approximated $197,000,000,000, up 11 per cent from the $177,000,000,000 of 1946, while consumer outlays for goods and services, were up 14 per cent from last year's $144,000,000,000 and personal savings were down 9 per cent from last year's $15,000,000,000.

3. Industrial production was up about 10 per cent above 1946, with new post-war peaks achieved in output of such important durable goods as automobiles, refrigerators, washing machines and freight cars. But production of textiles, clothing and shoes fell off.

4. Civilian employment held above 1946 in every month of this year, and the rise in totals came in manufacturing, construction and trade while farm employment remained about the same as last year.

5. This year proved a generally favorable period for establishing new businesses and keeping existing ones going. The number of concerns in business was 3,784,000 by mid-1947, or 8 per cent more than a year earlier. Business failures were at "low levels."

PRESIDENT SIGNS INFLATION BILL

Washington, Dec. 30 (A. P.).—President Truman today signed a duplicate copy of legislation designed to reduce the cost of living, while secret service men searched the White House for the original.

The President's signature was penned reluctantly at 9:15 A. M., after a hurried scramble to copy the Republican-sponsored measure, which disappeared mysteriously after reaching the White House.

Declaring that the nation's economy faces a "grave peril," Mr. Truman said in a statement that the bill was "pitifully inadequate" to deal effectively with the problem of high prices. But he promised that its "meager authority" would be used to the fullest extent.

Earl Bunting, president of the National Association of Manufacturers, said that the signing of the anti-inflation bill must be considered a preliminary step in the fight against inflation and that its passage was the result of a public demand.

"It is to be hoped," Bunting added, "that when Congress reconvenes, the question of the basic causes leading to inflation will be examined more thoroughly and that a national policy will be evolved which will attack these basic causes more effectively."

He expressed hope that Congress would conduct a "realistic investigation" of the whole price and income structure of the country.

DEC 1947

MARTIN OFFERS INFLATION CURB

President, Congress and People All Co-operating.

Boston, Dec. 30 (A. P.).—Joseph W. Martin Jr. (R.-Mass.), Speaker of the House of Representatives, asserted today that only "unselfish co-operation" between President Truman, the Republican-dominated Congress and the people as a whole can stem "the rising tide of inflation."

Appealing for "the greatest co-operative movement in the peacetime history of America," Martin told the Massachusetts Women's Republican Club:

"If we are to avert the national calamity of a runaway inflationary spiral, it is absolutely essential that there be unselfish co-operation between the Executive, the Congress and the people in a united effort to defeat this menace."

Martin called inflation "the most pressing domestic enemy of the nation's security and safety" and declared "we must fight it as vigorously as we would a foreign foe."

"In doing so," he said, in a prepared speech, "we must avoid quack remedies, which would merely aggravate, rather than cure, the affliction. The answer is not the 'police state.' The most rigidly regimented state in the world was recently forced to devalue its currency at the rate of 10 cents for the dollar. State controls have bogged down the economies of other European and Asiatic countries."

"The only real and permanent remedy for high prices is more and more production to meet our domestic requirements and our world obligations," said Martin.

"Work and sacrifice won the war; work and sacrifice will win the peace. Not only America but every country must join in the effort. We cannot do the job alone."

The Republican leader said "excessive Government spending and exorbitant taxation are substantial contributing factors to high prices."

"Administration co-operation with the Congress in eliminating wasteful and non-essential spending and in reducing taxes," he said, "would be a significant contribution to an all-out war against inflation in the coming year."

President's Aides Hail Move To Cut Prices

Washington, Dec. 30 (AP)—John W. Snyder, Secretary of the Treasury, and Dr. Edwin G. Nourse, chairman of the President's Council of Economic Advisers, hailed General Electric's price cuts tonight as an important anti-inflationary move.

Both expressed the hope that other producers will follow.

"The General Electric Company is taking a constructive step in its price-reduction program which will be recognized immediately as an important anti-inflationary measure," Snyder said.

Looks To Other Plants

"I hope other industries and businesses will promptly take similar actions which will collectively mark a definite halting of the upward spiral of inflationary pressures."

Dr. Nourse said the move was of

DEC 1947

30.24- 14549

"very great significance" and added:

"This is the sort of thing our economy needs to check the inflationary move, and thus to insure our prosperity.

Termed Much Needed

"On behalf of the Council of Economic Advisers, I can say I am very greatly pleased that a company like General Electric should step out and give an example of very vigorous and very timely leadership in something that is much needed."

Dr. Nourse recalled that in its last report to President Truman the council said "real price competition" is the thing most urgently needed to insure prosperity. He said the G.E. action is "very much in line" with that council view.

BLS INDEX NEAR WHOLESALE TOP

1920 Price Mark in Danger, but Wages Have Doubled.

Washington, Dec. 30 (A. P.).—Wholesale prices edged nearer today the all-time crest of May 1920, and Government economists say they can find nothing to indicate that 1948 prices will stop there.

With the exception of some items which slowed down the food group at least temporarily, wholesale prices on 900 commodities studied by the Bureau of Labor Statistics sailed unchecked past another postwar mark during the week ended December 20.

An index figure of 162.5 was recorded for that date by the BLS, which uses average prices prevailing in 1926 as its 100, or normal wholesale level. In May 1920, the bureau says prices averaged 167.2 per cent of the 1926 average. Relating the index points to percentages, there is less than 3 per cent difference in prices today and those existing in May 1920.

At the present rate of climb, wholesale prices should topple the 1920 high about the end of February, the economists say—and keep on going, in contrast to the experience twenty-seven years ago. Then the index dropped from 167.2 to 96 in May, 1921, just one year later. It struck a bottom of 59.8 in February, 1933.

By way of comparison, hourly wages have tended to rise steadily in the twenty-seven-year period covered by the BLS price report. Although BLS lacks figures on hourly and weekly earnings of workers in 1920, factory production employees in 1919 received an average of 47.7 cents an hour for a 46.3 hour week which netted an average of $22.08.

In 1926, the year used as normal for wholesale prices, the hourly average pay of factory workers was 54.8 cents for a forty-five-hour week, bringing an average of $24.65 weekly.

During the base period 1935-1939 to which the BLS compares its cost of living figures, the factory worker averaged 59.8 cents an hour for a 37.5-hour work week, an average of $22.42 a week. By October 15, 1947, the average was $1.257 an hour, 40.5 hours weekly, and $50.97 in weekly earnings.

SEC Reports Big Increase In Savings

Philadelphia, Dec. 30 (AP)—An increase of $500,000,000 in the rate of savings by individuals in the third quarter of this year over the preceding quarter was noted by the Securities and Exchange Commission.

The SEC in a report issued yesterday attributed the boost "for the most part to a rise in disposable income and a slight decline in consumer expenditures," coupled with the issuance of leave bonds to veterans and their redemption.

In July, August and September, individuals increased cash and deposits holdings by $2,500,000,000; added $800,000,000 to equity in private insurance; the same amount to equity in Government insurance; $300,000,000 to securities other than United States Government, and $200,000,000 to their investment in savings and loan associations, the SEC said.

In the third quarter, total liquid savings amounted to $2,900,000,000.

Radio Stations Revenue Up Over $25,500,000

Washington, Dec. 30 (AP)—The National Association of Broadcasters said today that 1947 gross revenue of radio stations was up nearly $25,500,000 over 1946.

The report said gross revenue from local retail advertising during the past year will exceed national network revenue for the first time in twenty years of recorded industry figures.

Raising its figures on replies from a sample of the broadcasting industry, the survey showed 1947 gross revenue from local retail advertising as $136,000,000, and revenue of national networks as $125,796,000.

N.A.B. pointed out that the figures do not reflect net profits, but supplement a recent survey which showed average gross station revenues up about eight per cent in 1947, with operating expenses up nine per cent.

MARKET PROBE IS ATTACKED

Chicago Board Of Trade Charges Attacks Hit Economy

Chicago, Dec. 30 (AP)—J. O. McClintock, president of the Chicago Board of Trade, today charged attacks on the nation's commodity exchanges were actually attacks upon the nation's economic system.

In a year-end statement, the exchange head asserted such attacks were based on "the desire of certain people in our political circles to dispose of the economic principles which created our country and substitute, instead, the philosophy and edicts of master-minding bureaucrats."

McClintock said Government control of the marketing system "could have no effect other than to break down the present mechanism that gives the producer the highest possible price at the lowest possible cost to the consumer.

"Public Will Suffer"

"Current attacks on the commodity exchanges by certain Administration circles are literally attacks, therefore, on the American economy as a whole."

He added that the public will be the "principal sufferer" if such attacks should continue.

Stating that the United States is the only country in the world having a competitive system of distributing and determining prices of foods, McClintock said, "that is probably the most important point to remember in connection with the attacks on the commodity exchanges. It is no accident, likewise, that we are the only country which can supply the needed food to the unfortunate peoples of other lands in any degree of abundance."

U.S. Must Ration Meat, Senator Watkins Says

Washington, Dec. 30 (AP)—Senator Watkins (R., Utah) said today he is "convinced" that meat will have to be rationed as "the safe thing to do."

Watkins's remarks thus lined him up with several New England Republican senators who have expressed inclinations to place meat under distribution controls. These include Senators Flanders (Vt.), Baldwin (Conn.), and Lodge (Massachusetts).

Flanders and Watkins were chairmen of regional subcommittees of the joint Senate-House Economic Committee.

Submitted Report

The Flanders group submitted its report last month, listing a number of the anti-inflation points President Truman outlined in his ten-point program to the special session of Congress.

Watkins's committee has yet to issue its findings. There have been indications that members have been unable to agree.

Watkins said he believes that the Republican substitute for Mr. Truman's cost-of-living program should be given a "fair trial," adding that circumstances then "will dictate what ought to be done and when."

"Much Easier To Enforce"

But he said that meat has reached the point where rationing is necessary to insure that the various income groups would receive a "fair share."

Contending that rationing would "have a tendency to force the price down," Watkins said it would "do the job as well as price controls and will be much easier to enforce."

Truman To Receive Russ Envoy

Washington, Dec. 30 (AP)—President Truman will receive the new Soviet Ambassador tomorrow noon. The White House announced today an appointment has been made for Alexander Panyuskin to visit the President at 12.15 P.M. to present his credentials.

ANDERSON CLAMPS GRAIN RATION ON WHISKEY MAKERS

WASHINGTON, Dec. 30 (AP)—The anti-inflation machinery created by the Republicans was set in motion by the Truman administration today with a crackdown on the distilling industry as its first operation.

Shortly after President Truman put a reluctant signature on a duplicate of the GOP bill, the original got "lost" somewhere in the White House—Secretary of Agriculture Anderson imposed grain rationing on whiskey makers. He acted under an executive order issued by the president.

Only Compulsory Feature

This is the only compulsory feature of the act approved on the last day of the special session of congress after Mr. Truman's requests for standby rationing and price-fixing authority were rejected.

The next move in putting the legal machinery into faster operation will come January 8 when spokesmen for the steel industry meet here with Secretary of Commerce Harriman to work out details of an allocation program to channel scarce steel products under a voluntary priority agreement system.

The Commerce Department is expected to issue "VP" (voluntary program) certificates to firms entering into these agreements, enabling them to obtain goods and materials in proportion to their needs as correlated with the national needs and available supplies.

All such agreements are subject to presidential approval and will relax anti-trust laws to avoid penalties for these pacts. No price fixing agreements are permissable under the anti-inflation act.

Imposition of the grain rationing program on the distilling industry followed closely on the expiration of the voluntary 60-day holiday arranged to save grain for food here and abroad.

Two weeks ago Anderson met with distillery leaders to work out a new grain-saving program but the whiskey makers balked at the limitations he proposed, asking a million bushels more monthly than the government offered.

Anderson then said he would ask congress for powers to force acceptance of his figures and he was granted such authority under the measure drafted by Senator Taft (R-Ohio).

Effective to Jan. 31

Today's order limits grain used by distillers to 2,450,000 bushels between midnight tonight and Jan. 31, 1948, when the rationing powers expire. Congress is expected to consider extension of the authority when it returns next week.

Anderson prohibited the use of wheat under the allocation, which will provide each distilling plant with 21 per cent of its average monthly use of grain during the four months from December, 1946, through March, 1947, plus 1.4 times its daily mashing capacity. The order stipulated that any grain used by a plant from the start of the holiday October 25 through today will be deducted from the total allotted for use in January.

During extensive committee hearings on anti-inflation proposals at the special session, various administration spokesmen estimated it would take at least 60 days to get any cost-of-living control machinery into operation. And in the next sixty days federal economists predict wholesale prices will surge to an all-time high, surpassing the mark set in 1920.

3,131 MORE NAMED BY ANDERSON AS TRADERS IN WHEAT

WASHINGTON, Dec. 30—(AP)—A new list of 3,131 traders in wheat future was issued by Secretary of Agriculture Anderson today but none was identified as a public official.

The list—the fourth made public by Anderson—included 2,914 persons who were reported to have been speculating, 214 who were engaged in non-speculative hedging or "price protection" operations and three foreign commission houses. The list was said to include all traders who held wheat futures on the Chicago Board of Trade on February 28 this year.

Total of 5,182 Names

This makes a total of 5,182 names of traders made public since congress directed disclosure of all persons known by the department to have been engaged in trading and commodity futures since January 1, 1946.

Congressional authorization for publication of names grew out of charges by Harold E. Stassen, candidate for the Republican presidential nomination, and others that "government insiders" have been speculating and making profits on the strength of inside information on government food buying policies.

There may have been some public officials on the new list, but the agriculture department said it could identify none of the names because it does not have an occupational listing of the traders.

As a precaution against mistaken identity, the department's report giving the names said it is "not unlikely that in some instances names shown in the list may be identical with the names of other persons in the same city."

Of the more than 5,000 names disclosed to date, only three have been prominent public officials. They are Edwin W. Pauley, special assistant to the secretary of the Army; Brigadier General W. H. Graham, President Truman's personal physician, and Governor H. B. Maw of Utah.

Today's list was made up almost exclusively of small traders. Virtually every state in the union was represented. Only 53 came under the department's classification of a "big" trader—that is, one who holds 200,000 bushels or more and is required as a consequence to report his operations to the department's commodity exchange authority.

More Lists Due

Additional lists will be released from time to time, Anderson said, until the full list of more than 14,000 traders on the department's books has been made public.

Speculation is not illegal as long as the trader abides by regulations laid down by the department to prevent price manipulation. No claims of manipulation have been made against any of the traders.

The speculative holdings in today's list ranged from a minimum of futures markets—to a top of 1,783,000 bushels—893,000 on the long side and 890,000 on the short side of the market. This holding was attributed to H. H. Rohn of Chicago.

The largest hedging account was 7,550,000 bushels on the long side of the market, listed for the Continental Grain Company of Chicago.

DEMOCRATS PLAN OWN TAX-CUT BILL

Measure Would Effect Slash Of $3,500,000,000

Washington, Dec. 30 (AP)—Democrats on Capitol Hill took steps today to write a tax bill of their own, cutting off around $3,500,000,000 instead of the $5,600,000,000 proposed by the Republican chief tax manager Representative Knutson, of Minnesota.

Representative Mills (D., Ark.) said, "It is time Democrats started thinking of a tax bill of their own."

Simultaneously Representative Dingell (D., Mich.) proposed a meeting of Democratic leaders in Congress and administrative policy makers to draft a definite, unified Democratic tax program.

Mills and Dingell, both members of the tax-framing House Ways and Means Committee, said that when it comes time to cut taxes, the first action should be "cost of living" tax relief for low-income persons who have been pinched harder by rising prices.

Mills Tells Idea

The Arkansas lawmaker gave his own idea of what a Democratic tax bill should contain:

1. A $100 increase in individual exemption from $500 to $600. This would remove 6,000,000 low-income taxpayers from the rolls completely, and provide some relief for all others among the 54,500,000 Federal taxpayers. It would cost the Treasury about $2,000,000,000.

2. General application to all states of the community property principle for tax-recording purposes. This would allow husbands and wives to split the family income equally, thus taking advantage of lower income bracket rates, and reducing taxes by about $600,000,000.

3. A lowering of the percentage points in the various surtax brackets. This should be done, Mills said, "on the basis of what we can afford when we know what the cost of Government and foreign aid will be."

Bill To Be Substitute

The Democratic bill, sponsors of the idea said, will be offered as a substitute when Knutson's measure comes up for a vote on the House floor, probably in January.

The new Knutson bill, already introduced, embodies the increased exemption and general application of the community property principle, as mentioned in Mills's proposal for a Democratic measure, but in addition Knutson has an across-the-board reduction ranging from 30 per cent for small taxpayers to ten per cent for large taxpayers.

President Truman earlier this year twice vetoed a $4,000,000,000 tax-cutting bill by Knutson. That measure provided only percentage cuts ranging from 30 per cent in the low brackets to 10.5 per cent in the higher brackets.

G.E. REDUCES APPLIANCES RETAIL COST

3 To 10 P.C. Cut Slated On Home Items, Including Radio, Television Sets

DEC 1947

New York, Dec. 30 (AP)—The General Electric Company announced today retail price reductions affecting many home appliances—the first break in the price spiral by a major manufacturer.

Charles E. Wilson, G.E. president, said the price drop, ranging from three to ten per cent, is effective January 1 and will affect about 40 per cent of the company's total business.

Refrigerators, ranges, and home radio and television receivers, are among the products affected. No price reductions in electric light blubs was announced.

Prices Of Parts Reduced

Expressing the belief that industry must take the initiative in reversing the inflationary spiral, Wilson said General Electric also is reducing prices of component parts, which it supplies to other appliance manufacturers.

Declaring that the price cuts represent a savings of $50,000,000 annually at the consumers' level, Wilson added:

"It is not done to stimulate business. These reductions come at the time of the company's greatest demand for the goods involved. We could sell in many lines twice what we can produce and it should be so for many months."

May Cut Profit Margins

The reduction, Wilson said, will cut profit margins unless the company can cut costs.

"We expect to maintain these prices," Wilson said, "provided no further increase occurs in our own labor costs or in prices of components and materials which we purchase in so great a measure from others, and provided there is no further distortion in the material situation through rationing or new allocations.

"We hope to be able to extend such action to other product lines as similar action is taken by our suppliers and material manufacturers."

Concerning capital goods prices, Wilson said General Electric now has on hand and will produce in 1948 a record peacetime backlog of orders taken in prior years and to be delivered at prices below current G.E. levels.

Favors Voluntary Action

Wilson told a news conference:

"It is our conviction and belief that voluntary action and self-restraint by individual citizens and companies can do most to reverse the tide of inflation.

"It needs to be reversed, not just stopped, and we hope and expect that others will join us, so that materials and components purchased by us will be reduced in price and that even further price reductions may follow."

DEC 1947

G-E Price Cuts Hailed by Snyder

WASHINGTON, Dec. 30 (AP)—Secretary of the Treasury Snyder and Dr. Edwin G. Nourse, chairman of the Pdesident's Council of Economic Advisers, hailed General Electric's price cuts tonight as an important anti-inflationary move.

Both expressed the hope that other producers will follow.

"The General Electric company is taking a constructive step in its price reduction program which will be recognized immediately as an important anti-inflationary measure," Snyder said in a statement.

"I hope other industries and businesses will promptly take similar actions which will collectively mark a definite halting of the upward spiral of inflationary pressures."

Dr. Nourse told a reporter the move was of "very great significance" and added:

"This is the sort of thing our economy needs to check the inflationary move, and thus to insure our prosperity.

"On behalf of the council of economic advisers, I can say I am very greatly pleased that a company like General Electric should step out and give an example of very vigorous and very timely leadership is something that is much needed."

Dr. Nourse recalled that in its last report to President Truman the council said "real price competition" is the thing most urgently needed to insure prosperity. He said the GE action is "very much in line" with that council view.

U. S. WITHDRAWAL FROM CHINA URGED

Kansas City, Dec. 30 (A. P.).—The Methodist Federation for Social Action today urged that an embargo be placed "on missions or other military aid to China" and asked for the withdrawal of American military advisory groups from China.

The action, in the form of resolutions, was taken at the federation's concluding session of a three-day meeting.

The resolutions were adopted after a lengthy discussion of the Unitetd States policy in connection with aid to the Nationalist Government.

The organization also called upon the United States Government to press for joint action between the United States and Russia for evacuation of their personnel from Korea and for a free election in that country.

A resolution introduced by Dr. Clyde E. Miller of New York asked withdrawal of the President's personal representative to the Vatican now holding the rank of ambassador. The resolution referred to Myron Taylor.

Cleveland, Dec. 30 (A. P.).—From all parts of the nation and from a dozen foreign countries, 10,000 delegates to the Methodist Youth Fellowship gathered here today for a four-day conference.

The conference is one of the largest church conventions ever held in this city where Methodist youth started the Epworth League fifty-nine years ago. It opens tonight and continues through Friday morning.

U.S. Files Ratification Of Inter-Republic Pact

Washington, Dec. 30 (AP)—The United States filed with the Pan-American Union today its formal ratification of the new inter-American defense treaty.

The pact was accepted by the Senate December 8. It binds the American republics to joint defense of the Western Hemisphere against aggressive attack.

The treaty will go into effect when two-thirds of the nations signing it deliver instruments of ratification to the Pan-American Union. The Dominican Republic already has done so.

DENIES HAMPERING 'CARE'

Rumanian Legation Issues a Statement on Dispute

WASHINGTON, Dec. 30 (AP)—The Rumanian Legation denied today that the Bucharest Government had "hampered" distribution of CARE relief packages from America or arrested any of the organization's agents.

The statement was issued in reply to a CARE announcement two weeks ago that it had stopped operations in Rumania because of such incidents and other violations of its agreement with the Rumanian Government.

CARE at that time said customs duties had been levied on the gifts provided by private American donors, in violation of the agreement. It asserted also that in the face of a provision for distribution by CARE's own personnel, there had been demands for police delivery or direct police supervision.

DEC 1947 30.24- 14551

DURR ASSAILS LOYALTY CHECK

FCC Aide Terms Methods Like Communist System

Washington, Dec. 30 (AP)—Clifford J. Durr, commissioner of the Federal Communications Commission, today criticized the loyalty check of Federal workers as an effort to fight communism "by employing the methods which we deplore most in the Communist system."

In an address at the final session of the American Political Science Association, Durr questioned whether the workers can get a fair trial when "we dispense with the safe-guards that, in the past, we have thought necessary to a fair hearing."

Accusers And Oath

"We guarantee them a fair hearing, but we do not even give them a chance to know who brings the charges against them, or to hear the charges delivered by the accusers under oath," he said.

"This seems to me to present real problems of having a secret police power over individuals' thoughts, actions and associations. . . . We propose to make our nation strong, but at the same time we sow distrust and suspicion among men."

The FCC commissioner caused a brief squabble between his agency and the Federal Bureau of Investigation a month ago by criticizing the worth of "unsolicited reports" supplied by the FBI on the loyalty of persons applying for radio-station licenses. Some, he said, seemed to be "baseless gossip."

Reports Requested Again

The FBI stopped sending the reports until the commission announced that Durr spoke only for himself. It asked J. Edgar Hoover, FBI director, to resume sending them.

Durr touched on that issue anew today. He asked what would stop the loyalty purge, if it applies as far down as Government elevator operators, from spreading to "the employés of a manufacturing plant."

"And what about you teachers who have the responsibility of guiding and shaping our future generations? What about people who are licensed to run our radio stations?" he went on.

Durr questioned whether FCC would be on firm ground if it were to deny a broadcasting license to an applicant because of his affiliation with one of the organizations listed as subversive by the Justice Department. The list, he said, was drawn up "on the basis of an ex parte investigation, without hearing. Can we legally rely on that list?"

Eniwetok Posted As Danger Zone

Washington, Dec. 30 (AP)—The Atomic Energy Commission posted a "danger—keep out" notice today covering 39,000 square miles of the Pacific Ocean surrounding Eniwetok atoll, the site of forthcoming new "tests of military weapons."

The commission gave public notice that "hazards will exist" after January 31, 1948, in a rectangular area approximately 173 miles north and south and 226 miles east and west.

The danger will continue throughout the calendar year 1948, the commission said, as "a consequence of tests of military weapons to be conducted."

Atomic Proving Ground

"All possible precautions will be taken to insure against the incidence of injuries to human life or to property within the danger area," the commission announced.

"If necessary, warnings of any hazards outside the designated area will be given in the event that such dangers are created by activities conducted within the danger area.

"Notice of the designation of the danger area is being made in air and marine navigational notices."

The commission described Eniwetok atoll as its "proving ground for routine experiments and tests of atomic weapons."

The area of hazard extends from 10 degrees 15 minutes north latitude to 12 degrees 45 minutes north, and from longitude 160 degrees 35 minutes east to 163 degrees 55 minutes east.

$60,000,000 Contract For 82 B-50's Awarded

Washington, Dec. 30 (AP)—The Air Force announced today award of a $60,000,000 contract for 82 more B-50 bombers to the Boeing Aircraft Company.

This is the second contract for the long-range bombers let under a program which contemplates eventual purchase of a total of 215. A previous contract provided for 133. Only two of the bombers have been delivered up to now.

The B-50, the Air Force said, is similar in appearance to the wartime B-29 but can cruise 25 per cent faster and has a top speed approaching 400 miles an hour.

Britain Honors 14 in U. S.

King's Decorations for War Services Received

CHICAGO Dec. 30 (AP).—Fourteen Mid-West residents received decorations today from King George VI of England for war services. Arthur W. Marlow, British Consul General at Chicago, made the presentations. Recipients included:

Colonel Paul Kisner, Terre Haute, Ind., Honorary Officer, Military Division, Order of the British Empire; Lieutenant Colonel Irving L. Strader, Highland Park, Ill., and Captain F. Jay Nimitz, South Bend, Ind., Honorary Member, Military Division, Order of the British Empire; Private First Class Melvin E. Abitz, Dubuque, Iowa, and Technician Third Class Lawrence Benedict Kemp, Dubuque, Military Medal; Master Sergeant Philip F. Gaffney, Madison, Wis., and Technician Fourth Class Ignatius J. Maglio, Milwaukee, British Empire Medal; Oliver J. Keller, Station WTAX, Springfield, Ill., the King's Medal; and Charles Chamberlain, The Associated Press, Chicago, mention in dispatches.

HONORS OKINAWA HERO

Vandegrift Gives Congressional Medal to Officer's Parents

WASHINGTON, Dec. 30 (AP)—Gen. Alexander A. Vandegrift, commandant of the Marine Corps, presented today the nation's highest military award, the Congressional Medal of Honor, to the parents of a marine officer who was killed on Okinawa.

The presentation was made to Mr. and Mrs. H. A. Courtney, 115 Greenwood Lane, Duluth, Minn., in honor of their son, Maj. Henry Alexius Courtney Jr.

Major Courtney led a charge up Sugar Loaf Hill on Okinawa May 14-15, 1945, and reached the crest of the hill with a small body of men. Shortly after digging in he was instantly killed by a mortar burst.

Major Courtney was executive officer of the Second Battalion, Twenty-second Marines, Sixth Marine Division. He served in Iceland and at Guadalcanal before the Okinawa invasion. Before entering the Marines he was admitted to the bar in Minnesota and Illinois and received his Doctor's degree at Loyola University, Chicago, Ill.

Anacostia Improvements Are Approved By Army

Washington, Dec. 30 (AP)—Channel improvements, levees and "other necessary appurtenances" in the Anacostia River have been approved by the North Atlantic division of the army engineers.

The Federal Government's share of the cost is estimated at $4,531,200, with local interests contributing $3,396,100. All lands, easements and rights of way necessary for the project must be provided by local interests.

The project includes flood control work in the Anacostia in the Maryland communities of Bladensburg, Edmonston, Riverdale, Hyattsville, Brentwood, Cottage City and Colmar Manor.

A channel 80 feet wide and 8 feet deep at low water is provided to supplement the flood-control work and to provide navigational facilities from the foot of Fifteenth street S.E. to Bladensburg.

Navy Cholera Research Team Going To Syria

Washington, Dec. 30 (AP)—The Navy said today that four members of its Naval Medical Research Unit No. 3 at Cairo will be sent to Syria to study the cholera epidemic in Damascus.

Each is an expert in the prevention and control of cholera and assisted the Egyption Government in curbing its recent cholera epidemic, the Navy said.

They are: Lieut. (j.g.) Richard H. Weaver, Kalamazoo, Mich.; Lieut. (j.g.) Moulton K. Johnson, Washington; Chief Pharmacist Mate James D. Gillmore, Mount Vernon, Wash.; Pharmacist Mate First Class Charles F. Robinson, Corpus Christi, Texas.

POTATOES TURNED DOWN BY BRITISH TO BE SOLD

BOSTON, Dec. 30—(AP) The sale of a carload of 50,000 pounds of potatoes—gathered by Caribou, Me., for the people of Scotland but refused by the British government—was authorized today with the realized cash to be spent for other foodstuffs.

The potatoes, donated as part of a shipment of food and clothing, were refused by the British government because, Boston Chamber of Commerce officials said, the British ministry of agriculture "feared risking potato disease in the United Kingdom."

The Caribou Chamber of Commerce agreed to the sale of the tubers, although they said the potatoes were U. S. government-inspected and that others had been shipped to England without trouble.

Michael T. Kelleher, president of the Boston Chamber of Commerce, said more than $1,750 will be realized from the sale of the "spuds" and that other foodstuffs would be substituted on the "Yankee Friend Ship."

Captain Kelly Convicted In Embezzlement Case

Camp Lee, Va., Dec. 30 (AP)—Capt. Edward P. Kelly today was found guilty by a general court-martial of embezzlement, forgery, issuing checks without a bank account and being absent without leave and sentenced to five years at hard labor and dishonorable discharge from the Army.

This was the payment exacted by the nine-man court for a two weeks' trip taken by the 50-year-old Denville (N.J.) man following his disappearance from Camp Lee December 1 with pay checks of 37 fellow army officers.

The reserve captain, scheduled for separation from the Army today, received the verdict calmly. His wife, Mrs. Mary Kelly, who waited in an adjoining room, was obviously agitated, however, when she learned the outcome.

LONDON, DEC.30-(AP)-THE BRITISH CABINET TODAY PUT OFF UNTIL NEXT WEEK A MEETING AT WHICH FOREIGN SECRETARY ERNEST BEVIN WILL REVIEW THE COUNTRY'S FUTURE FOREIGN POLICY IN THE LIGHT OF THE BIG FOUR'S FRUITLESS SEARCH FOR AGREEMENT ON GERMANY • TEN DOWNING STREET OFFERED NO REASON FOR THE POSTPONEMENT, BUT FOREIGN OFFICE SOURCES ATTRIBUTED IT TO CURRENT EXCHANGES BETWEEN THE UNITED STATES AND BRITAIN ON PROBLEMS WHICH WILL AFFECT DIRECTLY BEVIN'S RECOMMENDATIONS. • QQ810AES

DEC 1947

LONDON, DEC. 30-(AP)-COMPULSORY REGISTRATION OF YOUNG MEN AND WOMEN NOT GAINFULLY EMPLOYED WILL TAKE PLACE IN THE UNITED KINGDOM JAN. 19 TO 24, THE MINISTRY OF LABOR SAID TONIGHT.

THE ORDER AFFECTS MEN BETWEEN 18 AND 24 AND WOMEN 18 AND 20. THEY MUST REGISTER AT LABOR OFFICES IF UNEMPLOYED AND ENGAGED IN WORK REGARDED AS NOT ESSENTIAL, SUCH AS NIGHT CLUBS, GAMBLING ENTERPRISES, ETC. THE MINISTRY OF LABOR MAY ASSIGN THEM TO WHAT IT CONSIDERS VITAL WORK.

DEC 1947

TA726PES

BY ROBERT EUNSON

PARIS, DEC.30-(AP)-A POSSIBLE END TO THE PROLONGED FIGHTING IN INDOCHINA WAS FORESEEN TODAY WITH THE GATHERING IN PARIS OF SEVERAL IMPORTANT LEADERS FROM THAT RICH TERRITORY AND THE PROSPECT OF NEGOTIATIONS WITH A FORMER EMPEROR FROM THERE.

SEVERAL POLITICAL LEADERS FROM COCHIN-CHINA, ONE OF THE SIX FORMER FRENCH PROTECTORATES, TOLD NEWSMEN AT A CONFERENCE THAT THE 34-YEAR-OLD BAO DAI WOULD BE RESTORED TO THE THRONE OF ANNAM AND THAT THE REVOLUTIONARY LEADER HO CHI MINH WOULD BE CAPTURED AND BROUGHT TO TRIAL.

BAO DAI, WHO ARRIVED IN LONDON YESTERDAY, HAS OBTAINED A VISA TO ENTER SWITZERLAND. NEGOTIATIONS BY WHICH THE FRENCH GOVERNMENT MIGHT RESTORE HIM TO HIS THRONE MAY TAKE PLACE THERE.

GUYEN NAN TAM, FORMER MINISTER OF DEFENSE IN THE PROVISIONAL GOVERNMENT OF COCHIN-CHINA, IN SOUTHERN INDOCHINA, AND TRAM VAN TY, FIRST PRESIDENT OF THE COURT OF APPEALS IN SAIGON AND FORMER VICE PRESIDENT OF THE COCHIN-CHINA PROVISIONAL GOVERNMENT, ARE AMONG FORMER FOLLOWERS OF HO ASSEMBLED IN PARIS.

ALL OF THEM HAVE BITTERLY ATTACKED THE WARFARE BEING WAGED BY HO, WHO IS TRYING TO CONQUER THE SIX FORMER PROTECTORATES IN INDOCHINA --COCHIN-CHINA, ANNAM, CAMBODIA, TONKIN, LAOS AND KWANGCHOW.

SOME VIET NAM SOURCES HAVE SAID HO IS READY TO ACCEPT BAO DAI AS EMPEROR IF HE MAKES "GOOD TERMS" WITH THE PRESENT VIET NAM GOVERNMENT. THIS HAS BEEN DENIED OFFICIALLY, BUT OBSERVERS ARE WATCHING BAO DAI'S MOVEMENTS AS HE APPROACHES PARIS.

FRENCH INDOCHINA HAS A POPULATION OF ABOUT 25,000,000 (MILLION) AND COVERS AN AREA OF ABOUT 280,000 SQUARE MILES BETWEEN SIAM ON THE WEST AND CHINA ON THE NORTH. FRENCH FORCES HAVE DRIVEN A CORRIDOR ALONG THE NORTHERN BOUNDARY OF CHINA AND TONKIN. THE REVOLUTIONARY VIET NAM FORCES LED BY HO OCCUPY MOST OF ANNAM ALONG THE COAST.

FOLO PARIS

LONDON, DEC.30-(AP)-A JIVE-WISE, SPORTS-LOVING EMPEROR OUT OF WORK WENT SHOPPING TODAY--NOT FOR HIS OLD JOB, BUT FOR RIFLES, FISHING TACKLE AND GOLF CLUBS.

BUT 34-YEAR-OLD, BROAD-SHOULDERED BAO DAI, EXILED RULER OF FRENCH INDOCHINA, LET IT BE KNOWN THROUGH A SPOKESMAN THAT HE IS AVAILABLE FOR A PRICE--AN ACCORD BETWEEN INDOCHINA'S POLITICAL PARTIES AND INDEPENDENCE WITH FRENCH DOMINION STATUS FOR HIS COUNTRY.

HE FLEW HERE YESTERDAY FROM HONG KONG, FIRST OF ALL FOR CONSULTATIONS ABOUT AN EYE AILMENT. A SPECIALIST TOLD HIM AN OLD AILMENT HAD BEEN CHECKED, SO BAO DAI GOT OUT HIS SHOPPING LIST.

HIS AIDE SAID BAO DAI WILL GO TO GENEVA SHORTLY AFTER THE FIRST OF THE YEAR TO MEET HIS WIFE AND FOUR CHILDREN, WHO HAVE BEEN LIVING IN A CASTLE IN SOUTHERN FRANCE.

WHAT HE DOES AFTER THAT DEPENDS ON WHAT HAPPENS. THE SPOKESMAN SAID BAO DAI WOULD RETURN TO THE THRONE HE ABDICATED IN 1945 ONLY IF HE RECEIVED A "WELCOME HOME" INVITATION FROM ALL OF THE COUNTRY'S POLITICAL FACTIONS PLUS FIRM AGREEMENT BY FRANCE ON INDOCHINA'S INDEPENDENCE.

DEC 1947

HE ADDED THAT BAO DAI WAS "WILLING" TO TALK THE QUESTION OVER WITH REPRESENTATIVES OF THE FRENCH GOVERNMENT. HE DID NOT RULE OUT THE POSSIBILITY THAT SUCH TALKS MIGHT TAKE PLACE IN GENEVA.

BAO DAI, NOW LEADER OF VIET NAM MODERATES, ASCENDED THE THRONE 15 YEARS AGO TO BECOME THE WORLD'S YOUNGEST EMPEROR AT 19. FROM HIS SCHOOL IN FRANCE HE SET OFF FOR HIS HOMELAND WITH A RACK OF LUGGAGE CONTAINING 60 SUITS, A BATCH OF PHONOGRAPH RECORDS AND A STACK OF DETECTIVE STORIES.

(EDRS: IN ABOVE, LONDON, FOLO PARIS, 2ND PGH READ: XXX BAO DAI, EXILED RULER OF ANNAM, LET IT ETC. (NOT FRENCH INDOCHINA)

FH501PES

PARIS, DEC 30-(AP)-THE COMMUNIST PARTY WAS DEPRIVED OF ITS GASOLINE RATION TODAY BY ORDER OF INTERIOR MINISTER JULES MOCH, WHO SAID HE HAD TAKEN THE STEP AS A MEANS OF DEFENDING THE REPUBLIC AGAINST COMMUNIST ATTACKS.

MOCH'S ORDER EVOKED A STORM OF PROTEST FROM THE COMMUNIST BENCHES WHEN IT WAS ANNOUNCED YESTERDAY IN THE NATIONAL ASSEMBLY, AND COMMUNIST DEPUTY FERNAND GRENIER DEMANDED AN IMMEDIATE EXPLANATION.

"I SUPPRESSED THE GASOLINE OF THE COMMUNIST PARTY," MOCH TOLD HIM, "BECAUSE THE REPUBLIC HAS THE RIGHT TO DEFEND ITSELF, AND I WILL NEVER AGREE TO GIVING MEN WHO REVOLTED AGAINST THE LAW THE MEANS FOR FURTHER ACTION. THAT IS CLEAR."

MOCH WAS REFERRING TO THE RECENT WAVE OF COMMUNIST-INSPIRED STRIKES AND ATTENDANT DISORDERS WHICH CONFRONTED THE GOVERNMENT OF PREMIER ROBERT SCHUMAN WITH A GRAVE NATIONAL CRISIS EARLIER THIS MONTH.

TO COMMUNIST OUTCRIES WHICH GREETED HIS EXPLANATION, MOCH RETORTED:

"YOUR MEN STOLE ENOUGH GASOLINE FROM THE FACTORIES THEY OCCUPIED DURING THE STRIKES."

HERETOFORE THE COMMUNIST PARTY HAS RECEIVED AN ALLOTMENT OF 1,500 GALLONS OF GASOLINE EVERY MONTH IN ACCORDANCE WITH AN ARRANGEMENT WHEREBY EACH POLITICAL PARTY RECEIVES A RATION BASED ON ITS STRENGTH IN THE NATIONAL ASSEMBLY.

DEC 1947

DN647AES

PARIS, DEC.30-(AP)-FIVE HUNDRED FRENCH SCHOOL CHILDREN--SOME FOR THE FIRST TIME IN THEIR LIVES--ATE FOOD MADE FROM WHITE FLOUR TODAY AS THE FIRST SHIPMENT OF "FRIENDSHIP TRAIN" SUPPLIES TO FRANCE BEGAN REACHING DINNER TABLES.

THEY WERE STUDENTS AT THE VITRY PUBLIC BOARDING SCHOOL JUST OUTSIDE PARIS. MANY ARE WAR ORPHANS.

THREE TONS OF THE AMERICAN-DONATED FOOD WERE UNLOADED AT THE SCHOOL. IT INCLUDED EVAPORATED MILK FROM CHICAGO, SUGAR PACKED IN NEW YORK, SPAGHETTI AND MACARONI PACKED IN PHILADELPHIA, CHOCOLATE FROM NEW YORK, AND WHITE FLOUR FROM KANSAS CITY AND PHILADELPHIA.

LONG ROWS OF LITTLE GIRLS SEATED AT THE TABLES SQUEALED APPROVAL AS THEY ATE THE FOODS MADE WITH WHITE FLOUR UNOBTAINABLE IN FRANCE ON ORDINARY RATIONS FOR SEVEN YEARS.

AUTHORITIES ESTIMATED THAT THE "FRIENDSHIP TRAIN" FOOD WOULD PROVIDE A VALUABLE SUPPLEMENT TO HALF A MILLION CHILDRENS' DIET FOR SIX WEEKS.

DEC 1947

EIGHTEEN TONS OF "FRIENDSHIP TRAIN" FOOD WILL BE SENT BY TRUCK TONIGHT TO FLOODED REGIONS OF EASTERN FRANCE. IT IS EXPECTED TO ARRIVE THURSDAY IN NANCY, EPINAL, AND MULHOUSE.

FH449PES

PARIS, DEC 30-(AP)-THE FRENCH CABINET TODAY AUTHORIZED FOREIGN MINISTER GEORGES BIDAULT TO SIGN THE AGREEMENT UNDER WHICH FRANCE WILL RECEIVE INTERIM AID VOTED BY THE U.S. CONGRESS PENDING IMPLEMENTATION OF THE MARSHALL PLAN FOR EUROPEAN RECONSTRUCTION.

A GOVERNMENT SPOKESMAN SAID HE EXPECTED THE AGREEMENT WOULD BE SIGNED SHORTLY EITHER IN WASHINGTON OR PARIS AND THAT THE FRENCH GOVERNMENT FOUND THE TERMS "VERY SATISFACTORY."

(THE CONGRESS GRANTED $522,000,000 TO FRANCE, ITALY AND AUSTRIA.)

THE SPOKESMAN, PIERRE ABELIN, SECRETARY OF STATE TO PREMIER ROBERT SCHUMAN, SAID ALL MINISTERS CONCERNED WOULD MEET FRIDAY TO PLAN FOR IMPORTS UNDER THE ASSISTANCE PROGRAM. FRANCE BANNED ALMOST ALL GOODS REQUIRING DOLLAR PAYMENTS TWO MONTHS AGO TO CONSERVE DOLLAR FUNDS.

QQ927AES

BERLIN, DEC. 30-(AP)-GERMAN POLICE SAID TODAY THAT AN UNIDENTIFIED GUNMAN SHOT A RUSSIAN ARMY CAPTAIN TO DEATH IN THE SOVIET SECTOR A WEEK AGO. THE INVESTIGATION NOW IS IN THE HANDS OF THE RUSSIANS.

TU907AES

DEC 1947

NIGHT LEAD DACHAU

BY THOMAS A. REEDY

DACHAU, GERMANY, DEC.30-(AP)-AMERICAN WAR CRIMES JUDGES HANDED DOWN DECISIONS IN THEIR LAST 19 CASES HERE TODAY AND TURNED THIS FORMER NAZI CONCENTRATION CAMP WITH ITS BLACK HISTORY OVER TO GERMAN AUTHORITIES FOR AN ORDINARY PRISON.

IN THEIR LAST CASE HERE THE AMERICAN JUDGES SENTENCED HANS MOESER, AN SS LIEUTENANT WHO WAS LEADER OF THE NORDHAUSEN CONCENTRATION CAMP, TO DEATH BY HANGING. FOURTEEN GUARDS AT THE NORDHAUSEN DEATH HOLE WERE CONVICTED AND FOUR ACQUITTED. SEVEN OF THE CONVICTED GUARDS

DEC 1947

30.24- 14553

DREW LIFE SENTENCES, ONE 25 YEARS, THREE 20 YEARS, ONE 7 YEARS AND T. 5 YEARS. COL. FRANK SILLIMAN OF PHILADELPHIA IMPOSED THE FINAL SENTENCES.

THIS WAS THE 48TH CASE PROSECUTED WITHIN THE DACHAU COMPOUNDS IN A YEAR AND A HALF OF WAR CRIMES TRIALS IN WHICH 1,668 DEFENDANTS WERE TRIED AND 1,414 FOUND GUILTY. DEATH SENTENCES WERE PRONOUNCED ON 425.

IN A LITTLE MORE THAN TWO MONTHS AFTER GEN.DWIGHT D.EISENHOWER SHOCKED AN AMERICAN CONGRESSIONAL COMMITTEE WITH A TOUR OF THE HORROR BARRACKS, AMERICAN JUDGES BEGAN THEIR FIRST TRIAL HERE UNDER THE JURISDICTION OF THE LATE GEN.GEORGE S.PATTON'S THIRD ARMY.

THE FIRST TRIAL LASTED ONE DAY. FRANZ STRASSER, 43-YEAR-OLD AUSTRIAN CONVICTED OF PARTICIPATING IN THE HANGING OF FIVE AMERICAN AIRMEN, WAS HANGED.

THE SUBSEQUENT CASES WERE MUCH MORE COMPLICATED AS INVESTIGATORS ROUNDED UP SS MEN, GESTAPO BULLIES, CAMP GUARDS AND ORDINARY GERMAN CRIMINALS WHO HAD BEAT, KICKED, STARVED, CREMATED AND HANGED ALMOST WITHOUT DISCRIMINATION.

SEVENTY-THREE DEFENDANTS WERE IN THE DOCK IN THE MALMEDY TRIAL. MALMEDY WAS THE BELGIAN CROSSROADS WHERE SURRENDERED U.S. TROOPS WERE LINED UP DURING THE BATTLE OF THE BULGE AND SHOT IN A SNOW-COVERED FIELD.

KILLERS FROM BUCHENWALD, NORDHAUSEN AND FLOSSENBURG CONCENTRATION CAMPS FACED AMERICAN JUSTICE THEREAFTER.

TWO DEFENDANTS WERE WOMEN. ERIKA FLOCKEN, OVERSEER IN THE MUHLDORF CAMP, WAS SENTENCED TO HANG AND IS NOW IN LANDSBERG PRISON. IN A CELL NEAR HER, IS RED-HAIRED ILSE KOCH, WHO WAS GIVEN LIFE IMPRISONMENT AFTER TESTIMONY THAT SHE MADE LAMP SHADES FROM SKINS OF HUMANS IN BUCHENWALD.

ONE OF THE MOST SURPRISING ACQUITTALS WAS THAT OF OTTO SKORZENY, SS COLONEL WHO RESCUED MUSSOLINI FROM HIS ITALIAN CAPTORS AFTER THE ITALIAN SURRENDER AND SPEARHEADED AN OFFENSIVE IN THE BATTLE OF THE BULGE WITH A SPECIALLY ORGANIZED UNIT. HE WAS FREED ON CHARGES OF CLOTHING HIS MEN IN AMERICAN UNIFORMS.

A WAR CRIMES GROUP HEADED BY LT.COL. C.E. STRAIGHT WILL CONTINUE TO FUNCTION AT MUNICH, CLEARING UP THE FEW CASES REAMINING.

FH353PES

DEC 1947

BERLIN, DEC 30-(AP)-KURT SCHUMACHER, CHAIRMAN OF THE IMPORTANT GERMAN SOCIAL DEMOCRATIC PARTY, SAID TODAY HIS PARTY HAD REFUSED TO ACCEPT AS TRUSTWORTHY THE FIGURES GIVEN BY RUSSIA AND OTHER EASTERN EUROPEAN COUNTRIES ON GERMAN PRISONERS THEY HOLD.

HE WROTE IN THE OFFICIAL PARTY NEWSPAPER THAT THE ESTIMATES WERE

"COLORED WITH POLITICAL PURPOSES AND DESIGNED TO HUSH UP THE GREATEST INJUSTICES AND ATROCITIES." SCHUMACHER DEMANDED THE PROMPT RELEASE OF GERMAN PRISONERS OF WAR "IN THE NAME OF HUMANITY" AND FOR THE RECONSTRUCTION OF GERMANY.

HE CRITICIZED EVEN THE UNITED STATES, ASSERTING THAT THAT VICTOR NATION "CAN SAY IT RELEASED ALL ITS PRISONERS BUT CANNOT CLAIM IT SET THEM FREE." THE REFERENCE WAS TO SOME THOUSANDS OF GERMAN PRISONERS OF WAR WHICH THE U.S. LENT TO FRANCE AND OTHER EUROPEAN COUNTRIES WHICH SUFFERED FROM GERMAN OCCUPATION.

DEC 1947

RECALLING THAT THE RUSSIANS ANNOUNCED OFFICIALLY IN MARCH THAT THEY HELD 890,000 GERMAN PRISONERS OF WAR, SCHUMACHER WROTE:

"THAT MEANS THAT UNTOL NUMBERS OF PEOPLE IN PART PERISHED, IN PART WERE SETTLED IN RUSSIA, AND IN PART WERE DRAFTED FOR MILITARY AND POLITICAL PURPOSES. YUGOSLAVIA, POLAND AND OTHER COUNTRIES ALSO HAVE RAISED AN IMPENETRABLE WALL AROUND THEIR PRISONERS OF WAR, THEIR UTILIZATION AND LIVING CONDITIONS. WE REFUSE TO ACCEPT OFFICIAL FIGURES GIVEN OUT BY EASTERN COUNTRIES."

DA439PES

NAPLES, ITALY, DEC.30-(AP)-UNITED STATES NAVAL AUTHORITIES RELEASED TODAY THE NAMES OF THE THREE MEN KILLED YESTERDAY IN THE CRASH OF A HELICOPTER FROM THE AIRCRAFT CARRIER MIDWAY.

THE DEAD ARE:

LT. JAMES W. LAMM, WHOSE WIFE LIVES AT 400 MANAPAQUA AVE., LAKEHURST, N.J. HE WAS THE PILOT OF THE AIRCRAFT.

LT. J.G. JACK JETER, SON OF MRS. MYRA JETER, 305 EAST MAIN ST., KILGORE, TEX. HE WAS A PASSENGER IN THE HELICOPTER.

GLENN PAUL BUTER, AVIATION MACHINIST'S MATE, SECOND CLASS. HIS WIFE, HELEN ANN BUTER, RESIDES ON STAR ROUTE, CASSVILLE, N.J., AND HIS FATHER, HENRY BUTER, AT 906 JEROLEMAN ST., DUNLAP, IOWA.

THE BRIEF NAVY ANNOUNCEMENT SAID THE ACCIDENT OCCURRED AT 4,000 FEET DURING A REGULATION TRAINING FLIGHT WHEN THE HELICOPTER "APPARENTLY EXPERIENCED MATERIAL FAILURE WHICH LED TO THE LOSS OF THE ROTOR ASSEMBLY."

DEC 1947

FH218PES

ROME, DEC.30-(AP)-THE GOVERNMENT OF ITALY APPARENTLY WILL TAKE LITTLE OFFICIAL NOTICE OF THE DEATH OF FORMER KING VITTORIO EMANUELE III AT ALEXANDRIA SUNDAY.

ENRICO DE NICOLA, WHO BECOMES THE REPUBLIC'S FIRST PRESIDENT THURSDAY, SENT A TELEGRAM TO KING FAROUK OF EGYPT YESTERDAY, THANKING HIM FOR TRANSMITTING "THE SAD NEWS."

DE NICOLA EXPRESSED HIS "PERSONAL SORROW AND THAT OF THE NATION AT THE DEATH OF THE MAN WHO, IN THE HIGHEST POST, PARTIC PATED FOR A HALF CENTURY IN THE LIFE OF ITALY."

PREMIER ALCIDE DE GASPERI, HEAD OF THE CHRISTIAN DEMOCRATIC GOVERNMENT, SAID YESTERDAY HE "BOWED WITH EMOTION BEFORE THE DEATH OF A MAN WHO ENDED IN EXILE BECAUSE OF HIS OWN AND OTHERS' ERRORS." THE STATEMENT WAS ASSAILED BY THE COMMUNIST NEWSPAPER L'UNITA TODAY AS "A GRATUITOUS REHABILITATION" OF THE FORMER KING.

A FORMER PARLIAMENTARY DEPUTY, ALFREDO MISURI, URGED THAT THE BODY OF THE FORMER KING BE BROUGHT BACK TO ITALY FOR BURIAL. HE SAID IN A LETTER TO THE PREMIER THE REPUBLIC WOULD RUN NO DANGER IF SOME SHOULD KNEEL AT THE TOMB OF THE MONARCH AND PRAY FOR "THE PACIFICATION AND RESURRECTION OF ITALY."

OFFICIAL SOURCES SAY THAT IN VIEW OF THE CONSTITUTION'S ANTI-MONARCHIAL PROVISIONS, THE GOVERNMENT WOULD BE FORCED TO REFUSE PERMISSION FOR BURIAL OF VITTORIO EMANUELE IN ANY NATIONAL BUILDING AND WOULD BE OBLIGED TO PROHIBIT ANY PUBLIC MOURNING CEREMONIES.

FH1238PES

MADRID, DEC 30-(AP)-AGUSTIN ZOROA SANCHEZ, CONSIDERED THE NO.1 COMMUNIST IN SPAIN, AND LUCAS NUNEZ BOCAS, ALSO AN ACCUSED COMMUNIST, WERE EXECUTED YESTERDAY, ACCORDING TO AN OFFICIAL ANNOUNCEMENT TODAY.

THEY WERE SENTENCED TO DIE, WITH THREE OTHERS, FOLLOWING A TRIAL OF 23 PERSONS AT THE NEARBY PRISON TOWN OF OCANA ON DEC.19. ZOROA WAS SECRETARY-GENERAL OF THE SPANISH COMMUNIST PARTY AND A MEMBER OF THE NATIONAL COMMITTEE OF THE SPANISH COMMUNIST PARTY IN FRANCE.

THE OFFICIAL ANNOUNCEMENT SAID THE THREE OTHERS CONVICTED--JOSE L. FERNANDEZ, ALBERT ELADIO AMADOR AND MANUEL HERNANDEZ LEAL--RECEIVED COMMUTATIONS OF THEIR DEATH SENTENCES TO LIFE IMPRISONMENT.

ZOROA AND NUNEZ WERE PRESUMED TO HAVE BEEN EXECUTED BY A FIRING SQUAD AT OCANA. ZOROA WAS CHARGED, AMONG OTHER THINGS, WITH POSSESSION OF A LETTER FROM THE GENERAL HEADQUARTERS OF THE FRENCH COMMUNIST PARTY, POSSESSION OF EXPLOSIVES AND DIRECTION OF COMMUNIST ACTIVITIES IN SPAIN AS THE PARTY'S SECRETARY-GENERAL.

DN728AES

DEC 1947

ATHENS, DEC. 30-(AP)-THE MINISTRY OF PUBLIC ORDER SAID TODAY GUERRILLAS OPERATING ON THE ISLAND OF SAMOS, BIRTHPLACE OF PREMIER THEMISTOKLES SOPHOULIS, SUFFERED 37 KILLED, DOUBLE THAT NUMBER WOUNDED AND 28 TAKEN CAPTIVE IN A CLASH WITH GOVERNMENT TROOPS.

TA900PES

30.24- 14555

OFFICIALS IN ATHENS SAID GUERRILLA UNITS SEIZED HOUSES IN THE SOUTHERN OUTSKIRTS OF KONITSA LAST NIGHT, DESPITE THE ARTILLERY FIRE OF THE WEARY, OUTNUMBERED GARRISON. THEY MOVED INTO THE CITY'S PERIMETER AFTER REBLOCKING THE IOANNINA-KONITSA HIGHWAY, FIVE MILES NORTH OF KALPAKI, IN AN AREA WHICH SAW BITTER HAND-TO-HAND FIGHTING WHEN THE REINFORCING GREEK ARMY BRIGADE CUT ITS WAY THROUGH.

MILITARY OBSERVERS SAID THE REBELS WERE SUFFERING HEAVY LOSSES AND THROWING TREMENDOUS AMOUNTS OF AMMUNITION INTO KONITSA--AN APPARENT INDICATION THAT GEN. VAFIADES WANTS THE TOWN AT ANY COST AS THE CAPITAL FOR THE COMMUNIST STATE HE PROCLAIMED THE DAY BEFORE CHRISTMAS. THE FIGHT FOR KONITSA BEGAN CHRISTMAS DAY. CAPTURED GUERRILLAS SAID VAFIADES WAS DIRECTING THE REBEL OPERATIONS BEFORE THE CITY.

A GREEK ARMY SPOKESMAN EXPRESSED CONFIDENCE THE CITY WOULD WITHSTAND THE ATTACKS, AND WAR MINISTER GEORGE STRATOS SAID THE MORALE OF THE ATHENS GOVERNMENT WAS "HIGHER, IF POSSIBLE, THAN THAT OF 1940," WHEN THE GREEKS BEAT BACK THE ITALIAN INVASION FROM ALBANIA.

THE WAR MINISTER SAID THE GARRISON IN KONITSA WAS COUNTER ATTACKING AS WELL AS FIGHTING DEFENSIVELY. ROCKET-FIRING SPITFIRES OF THE GREEK AIRFORCE ALSO HAVE BEEN SENT INTO THE FIGHT.

THE REBELS, IN ADDITION TO HOLDING THE SOUTHERN APPROACHES TO KONITSA BY THEIR GRIP ON THE ROAD AT KALPAKI, CONTROL THE CITY'S WESTERN APPROACHES BY THEIR HOLD ON THE BOUROZANI BRIDGE, 11 MILES TO THE WEST. THEY CAPTURED THE SPAN AT THE BEGINNING OF THE BATTLE AND HAVE TURNED BACK ALL EFFORTS TO RETAKE IT.

U.S. MILITARY OBSERVERS WERE REPORTED IN THE BATTLE AREA OBSERVING THE OPERATIONS, AND AN OBSERVER TEAM OF THE UNITED NATIONS SPECIAL COMMISSION ON THE BALKANS WAS IN IOANNINA TO ASCERTAIN WHETHER ANY BORDER VIOLATIONS HAD OCCURRED. ATHENS- XXX AREA

LT. COL. CONSTANTINE VLACHOS, GREEK GENERAL STAFF SPOKESMAN, TOLD A NEWS CONFERENCE LAST NIGHT THAT BETWEEN 35 AND 40 PERCENT OF ALL GUERRILLAS HAD BEEN TRAINED ABROAD AND THAT FROM 75 TO 100 PERCENT OF THEIR ARMS HAD BEEN FURNISHED BY ALBANIA, BULGARIA AND YUGOSLAVIA.

HE SAID A CODE MESSAGE FROM A "FOREIGN" SOURCE TO VAFIADES HAD BEEN INTERCEPTED WHICH ADVISED THE GREEK PEOPLE TO BEGIN A CAMPAIGN OF GENERAL SABOTAGE. HE SAID THE MESSAGE HAD BEEN INTENDED FOR BROADCAST ON THE REBEL RADIO ON NEW YEAR'S DAY. DEC 194?

WB229AES

PARIS, DEC.30-(AP)-THE FRENCH PRESS QUOTED A BROADCAST OF THE "FREE GREECE" RADIO TODAY AS SAYING THAT GUERRILLA TROOPS HAD ENTERED THE BESEIGED CITY OF KONITSA IN NORTHERN GREECE.

THE COMMUNIST ORGAN, L'HUMANITE, QUOTED THE FRENCH PRESS AGENCY AS SAYING THAT IT HEARD THE STATION ANNOUNCE THE PENETRATION OCCURRED MONDAY NIGHT. FORCES UNDER THE COMMAND OF GEN. MARKOS VAFIADES WERE SAID TO HAVE ENTERED THE TOWN FROM THE SOUTHWEST AND TO BE FIGHTING IN THE CENTER OF TOWN.

(OFFICIALS IN ATHENS SAID GUERRILLA UNITS SEIZED HOUSES IN THE SOUTHERN OUTSKIRTS OF KONITSA LAST NIGHT.)

(EDS: ABOVE MAY BE BRACKETED IN ATHENS, GREEK BJT, IF DESIRED.)

ML327AES

SALONIKA, DEC 30-(AP)-THE UNITED NATIONS SPECIAL COMMISSION ON THE BALKANS PASSED UNANIMOUSLY LAST NIGHT A RESOLUTION DECLARING THAT RECOGNITION BY ANY COUNTRY OF THE GREEK COMMUNIST "GOVERNMENT", FOLLOWED BY "DIRECT OR INDIRECT AID", WOULD "CONSTITUTE A THREAT TO INTERNATIONAL PEACE AND SECURITY."

THE RESOLUTION WAS INTRODUCED BY THE BRAZILIAN DELEGATE. DEC 1947

DN729AES

(THE FOLLOWING DISPATCH, AN ACCOUNT OF ONE PHASE OF THE CURRENT FIGHTING BETWEEN GOVERNMENT TROOPS AND LEFTIST GUERRILLAS IN NORTHERN GREECE, WAS WRITTEN BY STEPHANO ZOTOS, FOREIGN EDITOR OF EMBROS, ATHENS NEWSPAPER)

--DASH--

BY STEPHANO ZOTOS

KALPAKI, GREECE, DEC. 30-(AP)-REPRESENTATIVES OF THE UNITED NATIONS SPECIAL COMMISSION ON THE BALKANS ARRIVED TODAY AND WITNESSED GREEK GOVERNMENT INFANTRY AND ARTILLERY FORCES AND BOMBER AND FIGHTER AIRCRAFT ATTACKING GUERRILLA POSITIONS NEARBY.

WHEN THE GROUP ARRIVED AT 8:30 A.M., GREEK FIELD ARTILLERY WAS POUNDING REBEL POSITIONS AND SPITFIRE FIGHTER PLANES WERE MAKING CONSTANT STRAFING ATTACKS ON REBEL MACHINE GUN NESTS AND EFENSE POSITIONS.

MAJ.GEN. MICHAEL ANDONOPOULOS, COMMANDER OF THE GREEK EIGHTH DIVISION, SAID THE GUERRILLAS WER USING AMMUNITION IN TREMENDOUS QUANTITIES AND HAD THROWN 15 DIVISIONS INTO THE DESPERATE FIGHT.

WE LATER MOVED TO THE OPERATIONS ZONES AROUND ANO RAVENIA, RECAPTURED FROM THE GUERRILLAS BY NATIONALIST FORCES CHRISTMAS DAY.

ON THE BATTLEFIELD WE SAW THE BODIES OF SEVERAL GUERRILLAS KILLED NEAR THEIR MORTAR AND MACHINE GUN POSTS. A YUGOSLAV 50 DINAR BANKNOTE WAS FOUND IN THE POCKET OF ONE DEAD GUERRILLA AND MOST OF THE DEAD WERE WEARING ALBANIAN ARMY UNIFORM OR PARTISAN TROUSERS.

IT WAS DISCLOSED DURING TODAY'S NEW AND STRONG ATTACK ON KONITSA THAT THE GUERRILLA ARTILLERY WAS HEAVIER THAN THAT THEY HAD USED PREVIOUSLY. HERETOFORE THE REBELS' HEAVIEST GUNS WERE OF 65 MILIMETERS, BUT THOSE USED TODAY WERE MUCH HEAVIER.

TA929PES

HAIFA, PALESTINE, DEC 30-(AP)-HEAVY CASUALTIES WERE REPORTED TODAY AFTER A BOMB WAS TOSSED INTO A CROWD OF WORKERS--MOSTLY ARABS--WAITING FOR AN OIL REFINERY BUS HERE.

FIGURES WERE NOT IMMEDIATELY AVAILABLE.

POLICE SAID THE EXPLOSIVES WERE TOSSED FROM A PASSING AUTOMOBILE INTO THE MIDDLE OF ABOUT 100 WORKERS. A JEWISH SOURCE SAID THE BOMBING PROBABLY WAS CARRIED OUT BY IRGUN ZVAI LEUMI, WHICH CLAIMED RESPONSIBILITY FOR A SIMILAR BOMBING YESTERDAY IN JERUSALEM.

ENRAGED ARAB EMPLOYES OF THE CONSOLIDATE REFINERY, WHERE TODAY'S BOMBING TOOK PLACE, ATTACKED JEWISH WORKERS AND POLICE SAID THEY UNDERSTOOD SEVERAL JEWS WERE STABBED OR BEATEN TO DEATH.

POLICE AND BRITISH TROOPS FINALLY BROUGHT THE SITUATION UNDER CONTROL. DEC 1947

DN725AES

ISTANBUL, TURKEY, DEC. 30-(AP)-TWO CARGO SHIPS WITH NEARLY 12,000 PALESTINE-BOUND EUROPEAN JEWS WERE REPORTED TONIGHT TO HAVE MOVED CAUTIOUSLY OUT INTO THE AEGEAN SEA AFTER CROSSING THROUGH THE DARDANELLES FROM ISTANBUL.

THE SHIPS, THE PAN YORK AND PAN CRESCENT, WERE CLEARED HERE SUNDAY AFTER THEIR ARRIVAL FROM BURGAS, BULGARIA.

SOME INFORMANTS SAID THE SHIPS MIGHT SNEAK ALONG THE COASTLINE OF TURKEY AND SYRIA TOWARD PALESTINE RATHER THAN GET OUT IN THE OPEN SEAS WHERE THE BRITISH ARE WAITING.

(IN PANAMA, PANAMA, PRESIDENT JIMENEZ TOLD A NEWS CONFERENCE HIS GOVERNMENT WOULD CANCEL THE LICENSES OF THE PAN YORK AND PAN CRESCENT, FLYING THE PANAMA FLAG, IF IT WERE PROVED THAT THE SHIPS HAD JEWS ON BOARD.

TA807PES

IT WAS LEARNED THAT HAGANA, THE JEWISH DEFENSE ARMY, HAS "RELINQUISHED" JERUSALEM'S PLUSH KATAMON RESIDENTIAL QUARTER BECAUSE OF INABILITY TO PROTECT JEWISH RESIDENTS. JEWISH FAMILIES WERE MOVING OUT OF THE QUARTER AS A RESULT.

HEAVY FIRING BROKE OUT IN THAT AREA TONIGHT, APPARENTLY CAUSED WHEN AN ARAB MACHINEGUN PARTY ENCOUNTERED A HAGANA PATROL.

MRS. JOHN R. KEEGAN, WIFE OF THE DISTRICT MANAGER OF TRANSWORLD AIRLINES, SAID THE ARABS WERE USING THE KEEGAN GARDEN WALL AND CORNERS OF THE HOUSE FOR COVER. JERUSALEM-DAVIDSON-XXX PRECAUTIONS

A SPOKESMAN FOR THE ARAB HIGHER COMMITTEE TOOK CONGIZANCE OF THE REPORT THAT 14,000 JEWISH IMMIGRANTS WERE EN ROUTE TO PALESTINE ABOARD THE FREIGHTERS PAN YORK AND PAN CRESCENT FROM BLACK SEA PORTS. HE SAID THE ARRIVAL OF THE JEWS IN HOLY LAND WOULD MEAN AN INCREASE IN COMMUNIST INFLUENCE, SINCE THE IMMIGRANTS WOULD INCLUDE "WELL INDOCTRINATED YOUNG COMMUNISTS AND TRAINED CELL ORGANIZERS."

FOR THE BRITISH THE PROBLEM WAS WHERE TO PUT THE JEWS IF THEY ARE INTERCEPTED. DETENTION CAMPS ON CYPRUS WERE ALREADY BULGING WITH 14,000 JEWS WHO TRIED TO SMASH THE COASTAL BLOCKADE. AND EXISTING FACILITIES COULD ACCOMODATE ONLY 10,000 MORE. THE JEWISH AGENCY WAS BELIEVED TO BE PLANNING TO REQUEST THE GOVERNMENT FOR PERMISSION TO HOUSE THE OVERFLOW REFUGEES IN HOLY LAND CAMPS ESTABLISHED AND PROVISIONED WITH AGENDY FUNDS.

DA250PES

DEC 1947

MAUNG SOE, THET HNING, MAUNG SEIN AND YAN GYI AUNG, WERE CONVICTED OF MURDER. THU KHA, KHIN MAUNG YIN, MAUNG SIA AND HMON GYI WERE CONVICTED OF ABETTING THE MURDER. RANGOON, BURMA -xx NOV. 4.

A 25,000-WORD DOCUMENT OF JUDGMENT READ BY KYAW MYINT, THE COURT PRESIDENT, DESCRIBED U SAW AS "THE BRAIN BEHIND THE ASSASSINATION--THE MAN WHO HATCHED AND DIRECTED THE CRIME."

THE MEN WERE GIVEN A WEEK TO APPEAL.

DY601PES

DEC 1947

APPROXIMATELY 340 PERSONS WERE ROUNDED UP IN CONNECTION WITH THE MURDERS.

U SAW WAS LEADER OF THE MYOCHIT PARTY, WHICH WAS IN OPPOSITION TO THE ANTI-FASCIST PEOPLES FREEDOM LEAGUE OF AUNG SAN, WHO HAD BEEN SLATED TO BECOME THE FIRST PREMIER OF AN INDEPENDENT REPUBLIC OF BURMA NEXT YEAR. RANGOON, BURMA-xxx U SAW

AUNG SAN, AN ANTI-COMMUNIST "STRONG MAN," WAS KILLED WITH HIS COLLEAGUES BY FIVE ASSASSINS WHO ENTERED THE COUNCIL CHAMBER, SPRAYED THE ROOM WITH MACHINEGUNS AND THEN ESCAPED IN A JEEP. AUNG SAN COMMANDED THE BURMA INDEPENDENCE ARMY AND FOUGHT WITH THE UNDERGROUND DURING THE JAPANESE OCCUPATION.

HE LED THE DELEGATION TO LONDON WHICH REACHED AGREEMENT A YEAR AGO FOR EXPEDITING SELF-GOVERNMENT FOR BURMA.

A PACKED COURTROOM SAW U SAW TAKE THE DEATH SENTENCE CALMLY. BUT WHEN POLICE TRIED TO HANDCUFF HIM BEFORE LEADING HIM FROM THE DOCK, THE EX-PREMIER, HIS FACE FLUSHED, SHOUTED:

"WHY SHOULD I BE HANDCUFFED? IT'S UNNECESSARY. I'M GOING QUIETLY."

A COURT OFFICIAL TOLD THE GUARD IT WAS NOT NECESSARY TO MANACLE U SAW.

IN A 25,000-WORD DOCUMENT OF JUDGMENT, WHIIH TOTK TWO HOURS AND 10 MINUTES TO READ, KYAW MYINT, THE TRIBUNAL PRESIDENT, DESCRIBED U SAW AS "THE BRAIN BEHIND THE ASSASSINATION--THE MAN WHO HATCHED AND DIRECTED THE CRIME."

THE CONDEMNED MEN WERE GIVEN A WEEK WITHIN WHICH TO APPEAL. NONE OF THEM INDICATED THEIR INTENTIONS. FOUR OF THE ACCUSED--MAUNG SOE, THET HNING, MAUNG SEIN AND YAN GYI AUNG--WERE CONVICTED OF MURDER. THE OTHER FOUR--THU KHA, KHIN MAUNG YIN, MAUNG SIA AND HMON GYI--WERE CONVICTED OF ABETTING THE MURDER.

THE PROSECUTION SUMMONED 78 WITNESSES DURING THE LONG TRIAL, THE DEFENSE 33.

DN723AES

DEC 1947

IT WIELD AN IMPORTANT INFLUENCE ON THE GOVERNMENT.

THE GOVERNMENT PROPOSAL FOR THE 11-NATION PRELIMINARY MEETING REPRESENTS A COMPROMISE BETWEEN EXTREMES OFFERED BY RUSSIA ON ONE HAND AND AMERICA AND BRITAIN ON THE OTHER.

CHINA MUST NOT BE HASTY; JAPANESE PEACE CAN WAIT FOR "A MORE OPPORTUNE MOMENT; IF NECESSARY, RATHER THAN SEE ABANDONED ANY OF THE PRINCIPLES CHINA INSISTS ON, THE ARTICLE SAID.

THE VETO POWER, IT CONTENDED, MUST BE RETAINED BY THE BIG FOUR NATIONS "IF THE TREATY IS NOT TO BE ANOTHER SCRAP OF PAPER." CHINA WANTS THE VETO "IN ORDER TO PREVENT A RECURRENCE OF WHAT TOOK PLACE AT VERSAILLES, WHEN CHINA WAS SECRETLY SOLD OUT IN THE TRAGEDY OF SHANTUNG," IT REMARKED--A REFERENCE TO SPECIAL RIGHTS GRANTED TO JAPAN FOR HER PART IN THE FIRST WORLD WAR. SHANG HAI-RODERICK-xx POWER

RUSSIA IS SO NEAR, GEOGRAPHICALLY, THAT CHINA "SHOULD NEVER BE MANEUVERED INTO PARTICIPATION IN A CONFERENCE FROM WHICH SOVIET RUSSIA IS BANNED," IT CONCLUDED, ADDING THAT THE RUSSIAN-CHINESE TREATY PROVIDES THAT NEITHER CAN CONCLUDE A SEPARATE PEACE WITH JAPAN.

THE ARTICLE ACCUSED AMERICAN AUTHORITIES OF EFFORTS TO PRESERVE MILITARISM AND ULTRANATIONALISM IN BOTH GERMANY AND JAPAN, CONTRARY TO THE PROGRAM OF THE LATE PRESIDENT ROOSEVELT.

P 444ACS

DEC 1947 30.24- 14557

BY SPENCER MOOSA

PEIPING,DEC 30 (AP)-COMMUNIST REGULARS IN FORCE HAVE HAMMERED TO WITHIN SIX MILES OF MUKDEN, CENSORED PRESS DISPATCHES REPORTED TODAY.

(NANKING SAID REPORTS INDICATED THE COMMUNISTS WERE PROBING FOR A SOFT SPOT IN THE BIG INDUSTRIAL CITY'S DEFENSES BEFORE ATTEMPTING A FRONTAL ASSAULT.)

WHEN THE COMMUNISTS STRUCK ACROSS MANCHURIA'S SNOW FIELDS AT THE START OF A WINTER OFFENSIVE IT WAS THOUGHT THEY MEANT ONLY TO ISOLATE MUKDEN, BUT THESE ACCOUNTS HINT THE CITY ITSELF IS AN OBJECTIVE.

CENSORS ALLOWED CHINESE CORRESPONDENTS IN MUKDEN TO WRITE OF UNREST WITHIN THE CITY, WHERE THE DISTURBING SOUND OF GUNFIRE COULD BE HEARD CLEARLY.

DEC 1947

ONE DISPATCH SAID THREE RED DIVISIONS WERE ASSAULTING GOVERNMENT POSITIONS SIX MILES NORTHWEST OF MUKDEN WHILE ANOTHER COLUMN OF MORE THAN 20,000 COMMUNISTS WAS ATTACKING EIGHT MILES TO THE SOUTHWEST.

(NANKING, HOWEVER, INSISTED ONLY SMALL BANDS HAD APPROACHED SO CLOSE TO MUKDEN, HARASSING THE GARRISON AND TESTING ITS DEFENSES.

(OBSERVERS THERE ESTIMATED THE MUKDEN GARRISON AT 150,000 MEN AND EXPRESSED BELIEF THE COMMUNISTS WERE USING AT LEAST 450,000 MEN IN THE WINTER OFFENSIVE.)

THE COMMUNISTS ALSO WERE REPORTED INCREASING THE PRESSURE ON THE CITIES MAKING UP THE OUTER DEFENSES OF MUKDEN--IHSIEN, 120 MILES WEST, SINLITUN, 70 MILES WEST AND CHANGWU, 60 MILES NORTHWEST.

IN NORTH CHINA, SEVERE FIGHTING WAS REPORTED ALONG THE PEIPING-HANKOW RAILROAD FROM CHOHSIEN TO PAOTING, CAPITAL OF HOPEH PROVINCE. COHSIEN IS 35 MILES SOUTHWEST OF PEIPING AND PAOTING IS 55 MILES FARTHER SOUTH.

(NANKING REPORTED GENERALISSIMO CHIANG KAI-SHEK, BACK FROM A CONFERENCE WITH MILITARY LEADERS IN HANKOW, WILL ADDRESS THE NATION BY RADIO EITHER WEDNESDAY OR THURSDAY.)

GG237PCS

HONG KONG, DEC. 30-(AP)-THE NEWSPAPER HWA SHIANG PAO REPORTED TODAY THAT MAO TSE-TUNG, NO. 1 CHINESE COMMUNIST, WOULD BROADCAST SHORTLY HIS FIRST IMPORTANT MESSAGE SINCE 1945, WHEN HE ADDRESSED THE CHINESE COALITION GOVERNMENT. THE BROADCAST WILL BE TITLED "THE CURRENT SITUATION AND OUR DUTY."

DEC 1947

TOKYO, DEC 30-(AP)-THE FIRST LOT OF WHALE MEAT AND BLUBBER FROM THE CATCH OF THIS YEAR'S JAPANESE ANTARCTIC WHALING EXPEDITION IS SCHEDULED TO ARRIVE HERE IN MID-JANUARY, ALLIED HEADQUARTERS REPORTED TODAY.

THE SHIPMENT WILL INCLUDE 400 TONS OF FROZEN WHALE MEAT, PROCESSED FROM 144 WHALES. CLAUDE ADAMS, SAN FRANCISCO, ON THE HEADQUARTERS NATURAL RESOURCES STAFF, SAID RECENTLY THE CATCH IS EXPECTED TO YIELD ALSO SOME 20,000 TONS OF WHALE OIL--TO BE OFFERED TO THE INTERNATIONAL EMERGENCY FOOD COUNCIL FOR DISTRIBUTION.

MORE THAN HALF THE 12,000 TONS OF OIL OBTAINED BY JAPANESE WHALERS LAST YEAR HAS BEEN EARMARKED FOR EXPORT TO EUROPEAN NATIONS NEEDING FATS AND COOKING OILS. ONE SHIPMENT OF 900 TONS IS EN ROUTE TO GERMANY FOR DISTRIBUTION IN BRITISH AND AMERICAN ZONES, ADAMS REPORTED.

P6ACS

TOKYO, DEC. 30-(AP)-THE FIRE AND DOMINEERING IMPATIENCE WHICH MARKED THE CAREER OF HIDEKI TOJO, WAR STARTING DICTATOR OF JAPAN, WAS DISPLAYED FOR THE INTERNATIONAL WAR CRIMES TRIBUNAL TODAY.

THE LITTLE MAN IN THE NONDESCRIPT UNIFORM, WHO SAT SILENT ON THE WITNESS STAND FOR TWO DAYS WHILE HIS ATTORNEY READ A 65,000 WORD DEPOSITION, SNAPPED INTO LIFE UNDER QUESTIONING. WITH VAST IMPATIENCE HE SNAPPED OUT SUCH WORDS AS "STUPID" AND "INCONCEIVABLE" IN REPLY TO QUESTIONS FROM OTHER DEFENSE ATTORNEYS.

WILLIAM LOGAN, ATTORNEY FOR MARQUIS KOICHI KIDO, FORMER LORD KEEPER OF THE PRIVY SEAL, ASKED TOJO, "DID YOU INTERPRET THE EMPEROR'S WORDS (WHEN TOJO WAS MADE PREMIER) TO MEAN THAT THE NAVY SHOULD BLINDLY FOLLOW THE ARMY OR THE ARMY BLINDLY FOLLOW THE NAVY?"

"AS A MATTER OF COMMON SENSE, I NEVER THOUGHT OF SUCH A THING," TOJO SNAPPED, GESTICULATING WILDLY AND PEERING INTENTLY THROUGH HIS HORN-RIMMED GLASSES.

KIDO HAD TESTIFIED THAT THE EMPEROR ORDERED THE TWO SERVICES TO COOPERATE. LOGAN ASKED TOJO:

"DID YOU OR ANYONE IN YOUR BEHALF ASK THE NAVY TO RECOMMEND A NAVY MINISTER WHO WOULD BLINDLY FOLLOW ANY DECISION BY YOU?"

"I NEVER HEARD OF ANY SUCH STUPID PROPOSITION," TOJO REPLIED.

X525APS

TOKYO, DEC 30-(AP)-RENAUD SEVAN HAS ARRIVED FROM NANKING TO BECOME DIPLOMATIC ADVISOR TO GEN.ZINOVI PECHKOFF, AMBASSADOR OF FRANCE AND HEAD OF THE FRENCH MISSION IN JAPAN. SEVAN, A CAREER DIPLOMAT, SUCCEEDS JEAN VIONVAL WHO LEFT FOR PARIS LAST MONTH. SEVAN FORMERLY WAS COUNSELLOR TO THE FRENCH EMBASSY IN CHINA.

DEC 1947

P557ACS

NIGHT LEAD INDONESIAN

BATAVIA, JAVA, DEC.30-(AP)-THE DUTCH ANNOUNCED TODAY THEY WOULD TRANSFER THE RESPONSIBILITY FOR THE SECURITY OF THOSE NOW UNDER DUTCH PROTECTION ONLY TO A FEDERAL GOVERNMENT OF INDONESIA "WHICH CAN GUARANTEE THAT SAME SECURITY AND LIBERTY."

"THE NETHERLANDS GOVERNMENT WITH ALL THE MEANS AT THEIR DISPOSAL WILL REMAIN IN THE LAST RESORT RESPONSIBLE FOR THE SECURITY AND LIBERTY OF THOSE NOW UNDER THEIR PROTECTION," SAID A COMMUNIQUE RESTATING DUTCH DEMANDS CONCERNING THE TRANSITIONAL PERIOD BEFORE INDONESIA ACHIEVES INDEPENDENCE WITHIN THE DUTCH COMMONWEALTH.

AUG. 11 THE NETHERLANDS DECLARED TO THE UNITED NATIONS SECURITY COUNCIL THAT THE DUTCH PLANNED TO CREATE AN INTERIM GOVERNMENT. THE DUTCH APPEALED TO THE GOVERNMENT OF THE INDONESIAN REPUBLIC TO COOPERATE.

"NOTHING WOULD BE MORE GRATIFYING TO THE NETHERLANDS GOVERNMENT," TODAY'S COMMUNIQUE SAID, "THAN THE CESSATION OF VIOLENCE ON THE PART OF THE GOVERNMENT OF THE REPUBLIC AND THE GUARANTEE OF ORDER AND SECURITY WHICH MAKE IT POSSIBLE TO BEGIN PEACEFUL RECONSTRUCTION OF THE WHOLE OF INDONESIA AS A FEDERAL STATE."

THE NETHERLANDS INDIES ARMY ANNOUNCED ITS CASUALTIES IN THE INDONESIAN CONFLICT FROM THE TIME OF THE U.N. CEASE FIRE ORDER OF AUG. 5 THROUGH DEC.13 TOTALLED 332 KILLED, 999 WOUNDED AND 25 MISSING.

FH521PES

BATAVIA, JAVA, DEC.30-(AP)-THE NETHERLANDS INDIES ARMY ANNOUNCED TODAY THAT ITS CASUALTIES IN THE DUTCH-INDONESIAN CONFLICT FROM AUG.5, WHEN THE UNITED NATIONS SECURITY COUNCIL'S CEASE-FIRE ORDER WENT INTO EFFECT, TO DEC.13 TOTALED 332 KILLED, 999 WOUNDED, AND 25 MISSING.

FH1256PES

MANILA,DEC 30 (AP)-THE PHILIPPINE GOVERNMENT HAS TURNED DOWN A BRITISH INVITATION TO ATTEND A STATISTICAL CONFERENCE SPONSORED BY THE BRITISH SOUTHEAST ASIA COMMISSION.

A DEPARTMENT OF FOREIGN AFFAIRS SOURCE SAID TODAY THE PHILIPPINE REPLY DECLINING TO TAKE PART IN THE CONFERENCE, CALLED FOR SINGAPORE EARLY IN FEBRUARY, HAD BEEN TRANSMITTED TO BRITISH MINISTER H.C. FOULDS.

THE PHILIPPINES CONTENDS THAT THE COMMISSION IS CONTROLLING HUGE SOUTHEAST ASIA RICE SUPPLIES FOR THE SOLE BENEFIT OF STERLING BLOC NATIONS AND FORCING NON-STERLING NATIONS, SUCH AS THE PHILIPPINES, TO PURCHASE RICE IN SOUTH AMERICA AND THE UNITED STATIONS ALTHOUGH LARGE SUPPLIES ARE AVAILABLE IN NEARBY SIAM AND BURMA.

THE SOUTHEAST ASIA COMMISSION, HEADED BY LORD KILLEARN, ALSO DREW FIRE OF THE PHILIPPINE DELEGATION AT THE RECENT UNITED NATIONS ECONOMIC COMMISSION FOR ASIA AND THE FAR EAST WHEN THE BRITISH GROUP UNSUCCESSFULLY ATTEMPTED TO BLOCK THE ESTABLISHMENT OF WORKING RELATIONS BETWEEN THE TWO COMMISSIONS.

GG719ACS NM

DEC 1947

BUENOS AIRES, DEC.30-(AP)-THE ARGENTINE GOVERNMENT WAS REPORTED ON GOOD AUTHORITY TODAY TO HAVE ORDERED ALL MEAT SHIPMENTS TO GREAT BRITAIN HALTED BY JAN.7.

AMOS J.COOKE, A REPRESENTATIVE OF THE BRITISH FOOD INDUSTRY, SAID HE HAD BEEN ADVISED BY BUENOS AIRES PACKING HOUSES OF THE BAN AND WAS AWAITING OFFICIAL CONFIRMATION. TRADE CIRCLES SAID THE BAN PROBABLY WOULD BE MADE EFFECTIVE UNLESS THE BRITISH GOVERNMENT ARRANGED TO PAY FOR ITS MEAT PURCHASES IN POUNDS CONVERTIBLE INTO U.S. DOLLARS.

ARGENTINA EXPORTED ABOUT 450,000 TONS OF FROZEN MEAT TO BRITAIN IN 1947 AND 1948 SHIPMENTS WERE EXPECTED TO BE ABOUT 400,000 TONS.)

(BRITISH OFFICIALS IN LONDON EXPRESSED SURPRISE AT COOKE'S DISCLOSURE AND INDICATED IT HAD CAUSED CONSTERNATION IN SOME GOVERNMENT CIRCLES.

(A RELIABLE BRITISH SOURCE ESTIMATED THAT ABOUT HALF OF ALL BRITAIN'S MEAT IMPORTS CAME FROM ARGENTINA AND THAT ABOUT ONE-THIRD OF THE MEAT DISPENSED UNDER THE BRITISH RATIONING SYSTEM IS ARGENTINE.)

ML238AES

DEC 1947

DEC 1947

BY M.M. KREEGER

HAVANA, DEC 30-(AP)-INDUSTRIALIZED AND UNDERDEVELOPED COUNTRIES STOPPED ARGUING WITH EACH OTHER ON ONE POINT AT THE HAVANA TRADE CONFERENCE TODAY, BUT KEPT UP THEIR DISPUTE ALONG ALMOST THE SAME LINES ON THREE OTHER ISSUES.

DELEGATES APPEARED TO BE MAKING THE SAME REMARKS ON DIFFERENT SUBJECTS IN VARIOUS COMMITTEES ON THE CONFERENCE, WHICH WAS CALLED BY THE UNITED NATIONS TO CONSIDER A PROPOSED CHARTER FOR AN INTERNATIONAL TRADE ORGANIZATION.

THE DEBATE EMPHASIZED THE CLEAVAGE THAT HAS BEEN EVIDENT FROM THE BEGINNING--THE HIGHLY DEVELOPED COUNTRIES BACKING THE DRAFT CHARTER ADOPTED AT GENEVA AND THE OTHERS DEMANDING SPECIAL PRIVILEGES FOR PROTECTION OF NEW AND GROWING INDUSTRIES.

DISCUSSION WAS ENDED ON THE QUESTION OF "QUANTITATIVE RESTRICTIONS" SUCH AS IMPORT QUOTAS AND LICENSES, WHICH BROUGHT A MAJOR CRISIS LAST WEEK. NOBODY HAD ANYTHING TO SAY WHEN THE COMMITTEE ON GENERAL COMMERCIAL POLICY, MEETING FOR THE FIRST TIME SINCE LAST TUESDAY, WAS CALLED TO ORDER YESTERDAY BY CHAIRMAN DANA WILGRESS OF CANADA.

UNDERDEVELOPED NATIONS, OR MOST OF THEM, HAD BEEN HOLDING OUT FOR THE RIGHT TO IMPOSE THE QUANTITATIVE RESTRICTIONS WHICH THE CHARTER WOULD SEEK TO ELIMINATE. DELEGATES OF THE INDUSTRIALIZED NATIONS USED STRONG LANGUAGE LAST WEEK IN WARNING THAT THE NON-INDUSTRIALIZED STATES WOULD BE THE BIGGEST SUFFERERS IN A GENERAL FIGHT TO IMPOSE SUCH RESTRICTIONS.

THE MATTER WILL BE REFERRED TO A SUBCOMMITTEE.

BUT THE COMMITTEE MERELY SEEMED TO TRANSFER ITS ARGUMENT TO A NEW SUBJECT--A CHARTER CLAUSE WHICH WOULD ALLOW NATIONS TO IMPOSE QUANTITATIVE RESTRICTIONS UNDER CERTAIN CONDITIONS TO SAFEGUARD "EXTERNAL FINANCIAL POSITION AND BALNCE OF PAYMENTS."

ARGENTINA, CHILE, URUGUAY AND CEYLON WANTED TO BROADEN THE SCOPE OF THE ARTICLE TO ALLOW MORE RESTRICTIONS TO BE IMPOSED. GREAT BRITAIN, FRANCE AND NORWAY OPPOSED THEM.

ARGENTINA, CHILE AND EL SALVADOR MEANWHILE RENEWED DEMANDS FOR THE RIGHT TO MAKE ANY PREFERENTIAL TRADE AGREEMENTS THEY CHOOSE. THIS WAS IN A SUBCOMMITTEE DEBATE ON AN ARTICLE FORBIDDING NEW PREFERENTIAL COMPACTS WITHOUT PRIOR ITO APPROVAL. THE UNITED STATES AND BRASIL TOOK THE OPPOSITE SIDE.

SIMILAR DIFFERENCES APPEARED IN A DISCUSSION BY THE ECONOMIC DEVELOPMENT COMMITTEE OF AN ARTICLE ENTITLED "GOVERNMENTAL ASSISTANCE TO ECONOMIC DEVELOPMENT."

CUBA, ARGENTINA, URUGUAY, CEYLON, MEXICO, NEW ZEALAND AND BRAZIL PROPOSED AMENDING THE CHARTER TO GIVE COUNTRIES MORE PRIVILEGES FOR REGULATION TO PROTECT OR INCREASE ECONOMIC DEVELOPMENT. CANADA, FRANCE AND LIBERIA DEFENDED THE ARTICLE AS IT STANDS.

M400AES

GROMYKO EXPRESSED REGRET OVER THE INCREASE OF "INCIDENTS" IN PALESTINE SINCE THE GENERAL ASSEMBLY VOTED FOR PARTITION AND SAID THESE "ARE THE CONSEQUENCE OF THE ACTIONS OF SOME IRRESPONSIBLE ELEMENTS ATTEMPTING TO HAMPER THE REALIZATION OF THE PLAN."

TA914PES NEW YORK-GROMYKO-XXX QUESTION

DEC 1947

LAKE SUCCESS, N.Y., DEC 30-(AP)-THE UNITED NATIONS SECURITY COUNCIL WAS SUMMONED TODAY FOR ITS LAST MEETING OF THE YEAR TO DEAL WITH THE LONG-DEBATED INDONESIAN QUESTION.

THE MEETING MARKED THE FINAL APPEARANCE AROUND THE COUNCIL TABLE OF AUSTRALIA, POLAND AND BRAZIL--THREE OF THE NON-PERMANENT MEMBERS WHO ARE COMPLETING THEIR TWO-YEAR TERMS. THEY ARE TO BE REPLACED IN 1948 BY ARGENTINA, CANADA AND THE UKRAINE.

ARGENTINA HAS ANNOUNCED THAT DR.JOSE ARCE, HER CHIEF DELEGATE TO THE U.N., WILL BE HER REPRESENTATIVE ON THE COUNCIL. CANADA AND THE UKRAINE HAVE NOT YET ANNOUNCED THE NAMES OF THEIR DELEGATES.

THE COUNCIL, SLATED TO CONVENE AT 3 P.M. EST., WAS EXPECTED TO CONSIDER A "TRUCE PLAN" RECOMMENDED BY THE U.N.'S GOOD OFFICES COMMITTEE WHICH IS CONDUCTING AN ON-THE-SPOT INVESTIGATION OF THE INDONESIAN PROBLEM.

THE PLAN, DESIGNED TO ACHIEVE A QUICK AND EFFECTIVE PEACE, ALREADY HAS BEEN ACCEPTED BY THE INDONESIAN GOVERNMENT AS A WORKING BASIS FOR DISCUSSION. NETHERLANDS AUTHORITIES WERE REPORTED TO BE PREPARING A MEMORANDUM STATING THE DUTCH ATTITUDE.

MEANWHILE, IT WAS ANNOUNCED AT U.N. HEADQUARTERS THAT THE FIRST MEETING OF THE FIVE-NATION PALESTINE COMMISSION HAD BEEN CHANGED FROM JAN.7 TO JAN.9 AT THE REQUEST OF DENMARK.

THE PALESTINE COMMISSION IS COMPOSED OF DENMARK, PANAMA, CZECHOSLOVAKIA, BOLIVIA AND THE PHILIPPINES. THUS FAR ONLY PANAMA, DENMARK AND THE PHILIPPINES HAVE SUBMITTED THE NAMES OF THEIR REPRESENTATIVES.

DN703AES

LAKE SUCCESS, DEC.30-(AP)-DR. ZIKI DJABI, OF SYRIA, WAS APPOINTED TODAY TO REPRESENT THAT NATION ON THE UNITED NATIONS TEMPORARY COMMISSION ON KOREA. THE SYRIAN GOVERNMENT ALSO APPOINTED YASSIN MAUJHIR TO BE ITS ALTERNATE REPRESENTATIVE.

DJABI'S APPOINTMENT BRINGS TO FIVE THE NUMBER OF DELEGATES ALREADY NAMED TO THE COMMISSION, WHICH IS SLATED TO BEGIN LAYING THE GROUND WORK FOR KOREAN INDEPENDENCE EARLY NEXT MONTH.

REPRESENTATIVES PREVIOUSLY NAMED ARE: S.H. JACKSON, OF AUSTRALIA; YU-WAN LIU, OF CHINA; JEAN-LOUIS PAUL-BONCOUR, OF FRANCE; AND SEN. MELECIO ARRANZ, OF THE PHILIPPINES. CANADA, EL SALVADOR AND INDIA HAVE NOT APPOINTED THEIR REPRESENTATIVES.

THE SOVIET UKRAINE, NINTH MEMBER OF THE KOREAN GROUP, IS BOYCOTTING THE COMMISSION.

DEC 1947

FH221PES

LAKE SUCCESS, DEC.30-(AP)-A 27-MEMBER SECRETARIAT STAFF OF THE UNITED NATIONS TEMPORARY COMMISSION ON KOREA WILL LEAVE NEW YORK BY AIR FRIDAY, AND A U.N. SPOKESMAN SAID TODAY THE FIRST MEETING OF THE COMMISSION ON KOREAN SOIL IS EXPECTED TO BE HELD BY JAN.14.

THE SECRETARIAT STAFF, HEADED BY DR. VICTOR HOO, ASSISTANT SECRETARY-GENERAL FOR TRUSTEESHIP AFFAIRS, WILL FLY VIA TOKYO. IT IS SCHEDULED TO REACH THE KOREAN CAPITAL BY JAN.9.

THE COMMISSION PROPER, REDUCED FROM A NINE TO AN EIGHT MEMBER BODY BECAUSE OF A SOVIET-BLOC BOYCOTT, IS EXPECTED TO REACH SEOUL COINCIDENT WITH THE ARRIVAL OF THE SECRETARIAT STAFF.

THE COMMISSION, MINUS THE SOVIET UKRAINE WHICH HAS REFUSED TO ACCEPT THE SEAT DESIGNATED TO IT, CONSISTS OF AUSTRALIA, CANADA, CHINA, EL SALVADOR, FRANCE, INDIA, THE PHILIPPINES AND SYRIA. THUS FAR, CANADA, EL SALVADOR AND INDIA HAVE NOT DESIGNATED THEIR REPRESENTATIVES.

APPROVED BY THE LAST MEETING OF THE GENERAL ASSEMBLY ALONG WITH COMMISSIONS FOR PALESTINE AND THE BALKANS, THE KOREAN GROUP WAS CONSTITUTED TO LAY THE GROUNDWORK FOR THE INDEPENDENCE OF THE FAR EASTERN COUNTRY.

ONE OF ITS INITIAL TASKS WILL BE TO CREATE THE MACHINERY FOR AND SUPERVISE NATIONAL ELECTIONS WHICH WILL RESULT IN THE ESTABLISHING OF A KOREAN CONSTITUTENT ASSEMBLY. THE U.N. RESOLUTION CREATING THE COMMISSION STIPULATED THAT THE ELECTIONS MUST BE HELD NOT LATER THAN MARCH 31, 1948.

A MAJOR PROBLEM FACING THE COMMISSION IS THE QUESTION OF NORTHERN KOREA, WHICH REMAINS IN RUSSIAN HANDS. THE SOVIET UNION, DEFEATED IN AN ATTEMPT TO HAVE THE U.N. RECOMMEND SIMULTANEOUS WITHDRAWALS OF UNITED STATES AND RUSSIAN TROOPS FROM THE COUNTRY AT THE BEGINNING OF 1948, HAS HINTED IT WILL NOT PERMIT THE COMMISSION TO OPERATE IN THE NORTHERN, OR INDUSTRIAL HALF, OF THE COUNTRY. THE SOUTHERN SECTOR, OCCUPIED BY U.S. FORCES, IS PREDOMINANTLY AGRICULTURAL.

THE FIVE REPRESENTATIVES ALREADY NAMED TO THB COMMISSCOUARE: S.H. JACKSON, OF AUSTRALIA; YU-WAN LIU, OF CHINA; JEAN-LOUIS PAUL-BONCOUR, OF FRANCE; SEN. MILECIO ARRANZ OF THE PHILIPPINES, AND DR. ZIKI DJABI, OF SYRIA.

DEC 1947

NEW YORK, DEC 30-(AP)-THE UNITED NATIONS SHOULD DISPATCH AN INTERNATIONAL POLICE FORCE TO THE HOLY LAND TO CARRY OUT ITS DECISION FOR PARTITION OF PALESTINE, DR. ABBA HILLEL SILVER, CHAIRMAN OF THE AMERICAN SECTION OF THE JEWISH AGENCY FOR PALESTINE, SAYS.

SPEAKING ON THE EVE OF HIS DEPARTURE FOR PALESTINE, DR. SILVER TOLD A ZIONIST DINNER LAST NIGHT THAT ONCE THE JEWISH STATE IS ESTABLISHED AND ADMITTED TO THE UNITED NATIONS, NEIGHBORING STATES WILL SEEK WAYS FOR PEACEFUL COOPERATION WITH THE NEW JEWISH GOVERNMENT.

"PEACE WITH THE ARAB WORLD WILL THEN BE POSSIBLE," HE SAID. "THE DANGEROUS PERIOD IS THE SHORT FORMATIVE ONE OF THE NEXT FEW MONTHS."

DR. SILVER, GUEST OF HONOR AT THE DINNER, WILL LEAVE TODAY FOR PALESTINE WHERE HE WILL ATTEND A MEETING OF THE WORLD ZIONISTS ACTIONS COMMITTEE.

SEN. IVES (R-NY), ANOTHER SPEAKER, URGED ARAB LEADERS TO COOPERATE WITH THE "DECISION OF CIVILIZED MANKIND," AND EXPRESSED THE HOPE THAT JEWS IN PALESTINE WILL "NOT HAVE TO DEFEND THEIR STATEHOOD WITH THEIR BARE HANDS."

MK648AES NM

30.24- 14559

(ADVANCE)-WASHINGTON,DEC.30-(AP)-THE MARSHALL PLAN COULD GIVE THE UNITED STATES ITS BEST OPPORTUNITY TO BUILD UP EXPORTS IN TOBACCO, REP.FLANNAGAN (D-VA) SAID TODAY.

"I THINK TOBACCO WILL BE INCLUDED IN THE MARSHALL PLAN SINCE IT IS A GOOD BUSINESS PROPOSITION," HE TOLD A REPORTER.

IN ADDITION TO DEVELOPING EXPORT TRADE, HE SAID INCLUSION OF TOBACCO IN THE PROPOSED LONG-RANGE PROGRAM WOULD BE GOOD BUSINESS BY GETTING RID OF SOME OF THE PRESENT SURPLUS AND BY INCREASING THE EFFICIENCY OF EUROPEAN WORKERS THROUGH ITS USE FOR INCENTIVE PURPOSES.

"IT IS YET TO BE DETERMINED, BUT I THINK WE SHOULD INCLUDE ALL THE DIFFERENT TYPES OF TOBACCO RIGHT ACROSS THE BOARD," HE ADDED. "THE BROADER WE CAN DISTRIBUTE THIS TOBACCO THE BETTER CHANCE WE HAVE OF INCREASING EXPORTS."

FLANNAGAN, WHO HEADS A SPECIAL COMMITTEE SEEKING TO DISPOSE OF SURPLUS TOBACCO, SAID HE BELIEVES DEVELOPMENT OF EXPORTS WOULD BE THE "GREATEST LONG-RUN" BENEFIT TO BE REALIZED BY USING TOBACCO IN THE FOREIGN AID PLAN.

"IT'S THE BEST OPPORTUNITY WE HAVE EVER HAD TO BUILD UP OUR EXPORT TRADE IF WE CAN GET OTHER COUNTRIES SOLD ON TOBACCO."

FLANNAGAN SAID HE WILL APPOINT AFTER CONGRESS MEETS JAN. 6 A SUBCOMMITTEE TO AID IN THE CAMPAIGN FOR DISPOSING OF TOBACCO SURPLUSES.

(END ADVANCE FOR PMS TUESDAY DEC. 30)

MD236AES DEC 1947

Y ARTHUR EDSON

WASHINGTON,DEC 30-(AP)-SECRET SERVICE MEN CAME OUT OF THE ASHCANS TODAY TO REPORT THAT THEY STILL HAVEN'T A CLUE IN THE BIG WHITE HOUSE MISSING BILL MYSTERY.

THIS IS THE REPUBLICAN-SPONSORED ANTI-INFLATION BILL THAT WASN'T THERE.

WHEN LAST SEEN, IT WAS RESTING QUIETLY ON PRESIDENTIAL COUNSEL CLARK M.CLIFFORD'S DESK SUNDAY. BUT WHEN MR.TRUMAN GOT OUT HIS TRUSTY FOUNTAIN PEN YESTERDAY--OOPS, NO BILL!

WELL, IT TURNED OUT ALL RIGHT.

A DUPLICATE ALREADY HAD BEEN PRINTED, AS ALWAYS IS THE CASE. AND AFTER MR.TRUMAN SIGNED IT TODAY, PRESS SECRETARY CHARLES G.ROSS FILLED IN REPORTERS ON THE HUNT FOR THE VANISHED BILL.

SECRET SERVICE MEN, HE SAID, HAVE COMBED ALL THE WHITE HOUSE ASHES WITHOUT COMBING OUT A SINGLE PIECE OF IT.

AND IT'S NO TINY THING THAT HAS GONE, EITHER. FOR CONNECTED WITH THE BILL WERE BULKY REPORTS FROM THE BUDGET BUREAU AND OTHER DEPARTMENTS. THEY HAVE VAMOOSED, TOO.

ROSS SAID THIS ISN'T THE FIRST TIME A BILL HAS GOT LOST IN THE WHITE HOUSE.

BILLS GOT MISLAID IN 1935 AND 1938. DEC 1947

LEGALLY, IT MAKES NO DIFFERENCE WHETHER MR.TRUMAN SIGNS THE ORIGINAL DRAFT, OR A DUPLICATE. BUT THE MISSING DOCUMENT CERTAINLY MEANT A LOT OF BOTHER.

ROSS SAID THAT AFTER SENATOR VANDENBERG (R-MICH), PRESIDENT PRO TEMPORE OF THE SENATE, HAD SIGNED THE SUBSTITUTE, IT HAD TO BE FLOWN TO HOUSE SPEAKER MARTIN (R-MASS).

MARTIN WAS HOME IN MASSACHUSETTS. SO GEORGE ELSEY, CLIFFORD'S ASSISTANT, FLEW TO PROVIDENCE, R.I. HERE HE WAS MET BY A STATE TROOPER AT 8:30 LAST NIGHT.

THEY DROVE TO MARTIN'S HOME IN NORTH ATTLEBORO. BUT MARTIN WAS IN DEDHAM. SO OVER TO DEDHAM THEY HURRIED, FOUND MARTIN, GOT HIS SIGNATURE, AFTER 11 P.M.

BACK TO PROVIDENCE, AND HOME BY 3:45 A.M., IN PLENTY OF TIME FOR MR.TRUMAN TO SIGN THE BILL ON THIS, THE NEXT-TO-LAST DAY BEFORE THE TIME LIMIT RAN OUT.

WAS THE INVESTIGATION CONTINUING?

"YES," SAID ROSS, "APACE."

INCIDENTALLY, THE BIGGEST MYSTERY IN THE MISSING BILL MYSTERY IS WHO WOULD WANT A BILL ANYWAY?

ROSS' EVALUATION OF THE MISSING DOCUMENT:

"WORTHLESS."

RZ1257PES DEC 1947

WASHINGTON,DEC.30-(AP)-THE SECRET SERVICE SLEUTHED THROUGH THE WHITE HOUSE TODAY FOR THE MISSING COST-OF-LIVING BILL WHILE PRESIDENT TRUMAN, WHO DOESN'T LIKE THE REPUBLICAN MEASURE ANYWAY, PREPARED TO PEN A RELUCTANT SIGNATURE TO A DUPLICATE.

THE COPY WAS DRAFTED HASTILY AFTER AN ALL-DAY SEARCH FAILED TO TURN UP EVEN A WHEREAS OR A SUB-PARAGRAPH OF THE ORIGINAL. IT WAS FLOWN BY ARMY PLANE TO DEDHAM,MASS., LAST NIGHT FOR THE REQUIRED SIGNATURE OF SPEAKER MARTIN (R-MASS).

MR.TRUMAN, WHO WAS READY TO SIGN YESTERDAY, PLANNED TO GIVE HIS FORMAL APPROVAL EARLY TODAY DESPITE HIS CONTENTION THAT THE G.O.P. MEASURE IS A "FEEBLE" GESTURE AND A "PITIFULLY INADEQUATE" WEAPON TO USE AGAINST INFLATION.

THE PRESIDENT'S STAFF STILL HAD NO EXPLANATION FOR WHAT PRESS SECRETARY CHARLES G.ROSS CALLED "SOMETHING OF A WHITE HOUSE MYSTERY." THE ORIGINAL BILL, LAST SEEN ON THE DESK OF PRESIDENTIAL COUNSEL CLARK M.CLIFFORD SUNDAY EVENING, WAS LOST WITHOUT TRACE.

MAURICE C.LATTA, MR.TRUMAN'S EXECUTIVE CLERK AND A VETERAN OF NEARLY A HALF CENTURY OF WHITE HOUSE SERVICE, COULD RECALL NO SIMILAR PREDICAMENT.

SINCE THE BILL WOULD DIE IF NOT SIGNED BY WEDNESDAY, THE WHITE HOUSE SAILED INTO ACTION. IT PREPARED THE COPY, RUSHED IT TO SENATOR VANDENBERG (R-MICH)--WHOSE SIGNATURE AS PRESIDING OFFICER OF THE SENATE WAS ESSENTIAL--AND PUT IT ON THE MASSACHUSETTS-BOUND PLANE IN CUSTODY OF CLIFFORD'S ASSISTANT, GEORGE ELSEY.

ACTUALLY, THE PLANE LANDED AT HILLSGROVE,R.I., WHENCE THE BILL WAS RUSHED BY AUTOMOBILE TO DEDHAM. MARTIN AFFIXED HIS SIGNATURE AT 11:01 P.M. AFTER ADDRESSING THE NORFOLK COUNTY REPUBLICAN CLUB IN THE DEDHAM HIGH SCHOOL.

IN OTHER SECTORS OF THE CAPITAL, THE BELATED SIGNATURE WAS EXPECTED TO SET THIS MACHINERY IN MOTION. DEC 1947

1. SECRETARY OF AGRICULTURE ANDERSON PREPARED TO CLAMP A WAR-STYLE LIMIT ON THE USE OF GRAIN BY DISTILLERS, TELLING EACH WHISKY-MAKER HOW MUCH CORN AND RYE HE MAY USE. IT IS THE ONLY MANDATORY ALLOCATION CONTROL PROVIDED IN THE REPUBLICAN MEASURE, AND IT RUNS ONLY UNTIL JAN. 31, 1948.

2. A PEACETIME PRIORITY SYSTEM WAS BROUGHT TO TENTATIVE FORM IN THE COMMERCE DEPARTMENT. WITHOUT ENFORCEMENT PROVISIONS, IT PROVIDES ANTI-TRUST IMMUNITY TO INDUSTRIES WHICH AGREE AMONG THEMSELVES TO ALLOCATE SCARCE MATERIALS FOR ESSENTIAL USE AND FOREIGN EXPORT.

SUBJECT TO WHITE HOUSE APPROVAL, THE COMMERCE DEPARTMENT PLANS TO AUTHORIZE THE USE OF "VP" (VOLUNTARY PROGRAM) CERTIFICATES. SERVED ON ANY FIRM IN AN INDUSTRY WHICH ENTERS A GOVERNMENT-SPONSORED AGREEMENT, THE CERTIFICATES WOULD HAVE SOMETHING LIKE THE FORCE OF WARTIME

PRIORITIES IN COMMANDING DELIVERY.

THERE WOULD BE NO COMPULSION EXCEPT THE "GENTLEMEN'S AGREEMENT." BUT THE LAW AUTHORIZES MR.TRUMAN TO BRING NEW AND SPECIFIC RECOMMENDATIONS BACK TO CONGRESS IF THE VOLUNTARY MEASURES FAIL TO RELIEVE THE PRESSURE OF SCARCITY ON THE PRICE OF "COST OF LIVING" ITEMS.

OFFICIALS REPORTED THAT SPOKESMEN FOR THE STEEL INDUSTRY WILL MEET WITH SECRETARY HARRIMAN ON JANUARY 8. THE SESSION IS EXPECTED TO BE THE FIRST OF A LONG SERIES OF INDUSTRY MEETINGS AS WELL AS THE FORERUNNER OF A GROUP OF "INDUSTRY ADVISORY COMMITTEES" SIMILAR TO THOSE WHICH ADVISED THE WAR PRODUCTION BOARD DURING THE WAR.

STEEL AND GRAIN ARE THE MOST FREQUENTLY MENTIONED PRODUCTS WHICH MAY BE BROUGHT UNDER ONE TYPE OR ANOTHER OF VOLUNTARY CONTROL. OFFICIALS OF THE COMMERCE AND AGRICULTURE DEPARTMENTS SPECULATED THAT AGREEMENTS MAY BE SOUGHT ALSO WITH THESE OTHERS: MIXED FEED PRODUCERS, POULTRY HATCHERIES, FLOUR MILLERS, MEAT PACKERS, FREIGHT CAR BUILDERS, FARM MACHINERY MANUFACTURERS, NITROGEN AND FERTILIZER PRODUCERS, AND MANUFACTURERS OF PETROLEUM EQUIPMENT, COAL-PROCESSING AND OTHER INDUSTRIAL MACHINERY.

DEC 1947

TAKING THE FREIGHT CAR INDUSTRY AS AN EXAMPLE, BECAUSE IT ALREADY IS FUNCTIONING UNDER A FORM OF ALLOCATION BY AGREEMENT WITH THE STEEL INDUSTRY, ONE OFFICIAL GAVE THIS DESCRIPTION OF THE PROBABLE WORKINGS OF THE NEW ACT:

THE CAR BUILDERS ARE BEING ASKED TO STEP UP THEIR MONTHLY OUTPUT GOAL FROM 10,000 TO 14,000 CARS BY SPRING. THEY WILL BE CALLED IN TO PRESENT A LIST OF NEEDED MATERIALS AND PARTS. THE GOVERNMENT WILL SCREEN IT TO CUT OUT ANY UNREASONABLE DEMANDS.

THE TOTAL THEN WILL BE ALLOCATED AMONG COOPERATING STEEL PRODUCTS PRODUCERS WHO AGREE TO HONOR THE "VP" CERTIFICATES OF CAR BUILDERS UP TO A CERTAIN PERCENTAGE OF THEIR PRODUCTION. BOTH SUPPLIER AND BUYER WILL BE ASKED TO SUBMIT MONTHLY REPORTS TO THE GOVERNMENT ON THE SHIPMENTS MADE AND THE USE TO WHICH THEY ARE PUT.

OFFICIALS EXPECT THAT PRIORITY USES WILL NOT ABSORB MORE THAN 6,000,000 OR 7,000,000 TONS OF STEEL ANNUALLY, OR ABOUT TEN PER CENT OF THE ANNUAL OUTPUT OF FINISHED STEEL PRODUCTS.

ON A LIKE BASIS, NITROGEN MAY BE ALLOCATED TO FERTILIZER PRODUCERS, COAL-PROCESSING EQUIPMENT MAY BE GRANTED PRIORITY IN THE PLANTS OF EQUIPMENT PRODUCERS, AND INDEPENDENT FOUNDRIES MAY BE GRANTED A CLAIM ON THE PIG-IRON OUTPUT OF THE LARGE, INTEGRATED STEEL COMPANIES.

IN ADDITION TO THE DISTILLING CONTROLS AND PROVISIONS FOR VOLUNTARY AGREEMENTS, THE MEASURE EXTENDS TO FEB. 28, 1949, THE PRESIDENT'S POWER TO CONTROL EXPORTS AND RAIL TRANSPORTATION FACILITIES. BOTH WERE TO EXPIRE NEXT FEBRUARY 29.

SENATOR TAFT OF OHIO, REPUBLICAN PRESIDENTIAL ASPIRANT AND ONE OF THE SPONSORS OF THE LEGISLATION, TOLD A GOP MASS MEETING IN KANSAS ITY LAST NIGHT THAT THE PRESIDENT NOW HAS ENOUGH AUTHORITY O "STOP THE INCREASE IN PRICES IF HE REALLY WANTS TO STOP IT."

THE GOVERNMENT "DOES NOT NEED THE POLICE-STATE POWERS WHICH THE PRESIDENT DEMANDS," TAFT SAID, WITH REFERENCE TO MR.TRUMAN'S REQUEST FOR STANDBY PRICE, WAGE AND RATION CONTROLS.

"THE REPUBLICAN APPROACH IS TO SOLVE THIS INFLATION CRISIS BY ETTING AT THE CAUSES, BY PURSUING SOUND POLICIES IN THE ORDINARY CONDUCT OF GOVERNMENT, BY SPENDING LESS AND TAXING LESS AND PREVENTING INFLATION.

"THE DEMOCRATS WANT MORE POWER TO IMPOSE ARBITRARY CONTROLS WHICH WON'T WORK."

DEC 1947

30.24- 14561

DEC 1947

WASHINGTON, DEC 30-(AP)-THE DISCLOSURE THAT BRIG. GEN. WALLACE H. GRAHAM IS LISTED IN AGRICULTURE DEPARTMENT RECORDS AS A ONE-TIME GRAIN SPECULATOR LEAVES HIS STATUS AS PERSONAL PHYSICIAN TO PRESIDENT TRUMAN UNCHANGED.

"DR. GRAHAM WILL CONTINUE AS WHITE HOUSE PHYSICIAN," PRESIDENTIAL SECRETARY CHARLES G.ROSS TOLD REPORTERS.

ROSS MADE THE ASSERTION LATE YESTERDAY IN RESPONSE TO A QUESTIONER WHO NOTED THAT MR. TRUMAN HAD CONDEMNED SPECULATIVE TRADING IN THE COMMODITY MARKETS.

GRAHAM HAD SAID EARLIER, AFTER HIS NAME APPEARED ON A LIST OF 99 PUBLIC EMPLOYES WHO SPECULATED IN GRAIN LAST SEPTEMBER, HE FIRST LEARNED ON OCTOBER 7 THAT HE HAD A "SMALL HOLDING" IN AN INVESTMENT ACCOUNT HIS BROKER WAS HANDLING FOR HIM. HE ISSUED INSTRUCTIONS THAT IT BE SOLD IMMEDIATELY, HE ADDED.

GRAHAM SAID HE MADE INQUIRY TO HIS BROKER "BECAUSE OF ALL THE UBLIC DISCUSSION OF GRAIN TRADING THEN CURRENT."

MR. TRUMAN ON OCTOBER 5 HAD DECLARED IN A FOOD CONSERVATION APPEAL THAT "THE COST OF LIVING IN THIS COUNTRY MUST NOT BE A FOOTBALL TO BE KICKED ABOUT BY GAMBLERS IN GRAIN."

ASKED WHETHER GRAHAM EVER HAD DISCUSSED HIS FORMER GRAIN HOLDINGS WITH THE PRESIDENT, ROSS SAID THE GENERAL TOLD MR. TRUMAN OF THEM SHORTLY AFTER NOON ON DECEMBER 18.

LATER THAT DAY MR. TRUMAN ANNOUNCED HE WAS READY TO SIGN A CONGRESSIONAL RESOLUTION AUTHORIZING SECRETARY OF AGRICULTURE ANDERSON TO PUBLISH THE NAMES OF ALL COMMODITY TRADERS.

THE PRESIDENT SAID, ROSS RELATED, THAT HE HAD KNOWN THEN THAT GRAHAM'S NAME WOULD BE ON THE LIST BUT UP TO THAT TIME HE "KNEW NOTHING OF IT."

ANDERSON TOLD REPORTERS IN NEW YORK LAST NIGHT THAT MANY OF THOSE ON YESTERDAY'S LIST "DID NOT MAKE ENOUGH MONEY TO BUY A NEW HAT OR ELSE LOST MONEY."

SU632AES

DEC 1947

WASHINGTON,DEC.30-(AP)-THE VETERANS ADMINISTRATION SAID TODAY THAT CONSTRUCTION BIDS WILL BE OPENED JAN.5 FOR NEW HOSPITALS AT BIG SPRING AND BONHAM,TEX.

ARMY ENGINEERS ARE TO HANDLE THE BIDS. THOSE FOR THE BIG SPRING HOSPITAL ARE TO BE OPENED AT ALBUQUERQUE,N.M., AND THOSE FOR BONHAM AT TULSA,OKLA. BOTH DATES ARE SUBJECT TO CHANGE.

THE BIG SPRING HOSPITAL IS TO BE A 250-BED GENERAL MEDICAL INSTALLATION TO COST APPROXIMATELY $4,000,000. THE ONE AT BONHAM WILL BE A 50-BED GENERAL MEDICAL HOSPITAL.

BIDS ARE TO BE RECEIVED AT AN UNANNOUNCED FUTURE DATE FOR A 300-BED DOMICILARY HOSPITAL AT BONHAM. THE TWO BONHAM HOSPITALS WILL COST A TOTAL OF ABOUT $5,500,000.

THE VETERANS ADMINISTRATION EXPECTS TO COMPLETE DRAWINGS NEEXT SPRING FOR A 500-BED GENERAL MEDICAL HOSPITAL AT DALLAS TO COST $7,000 000; A 500-BED HOSPITAL AT EL PASO TO COST $7,000,000, AND A 1,000-BED HOSPITAL AT HOUSTON TO COST $15,000,000. A SITE FOR A PROPOSED 200-BED HOSPITAL AT MARLIN,TEX., TO COST $3,500,000, IS EXPECTED TO BE APPROVED WITHIN THE NEXT 30 TO 60 DAYS.

FR1029AES

BY EDWARD E.BOMAR

WASHINGTON, DEC 30-(AP)-THE UNITED STATES WARNED RUSSIA'S BALKAN SATELLITES TODAY THAT ANY MOVE TO RECOGNIZE THE GREEK "FREE STATE" PROCLAIMED BY COMMUNIST GUERRILLAS WOULD FLOUT THE WILL OF THE UNITED NATIONS ASSEMBLY.

UNDERSECRETARY OF STATE ROBERT A.LOVETT SAID THAT ANY SUCH ACTION WOULD HAVE "SERIOUS IMPLICATIONS" AND ADDED THAT WHAT THE UNITED STATES MIGHT DO WOULD DEPEND ON CIRCUMSTANCES.

HE TOLD A NEWS CONFERENCE THAT THE AMERICAN MISSION IN GREECE HAS UNDER CONSTANT CONSIDERATION THE QUESTION OF DIVERTING MORE AMERICAN AID FUNDS FROM ECONOMIC PURPOSES TO SUPPLYING EQUIPMENT TO THE GREEK ARMY.

DEC 1947

THE WARNING AGAINST DIPLOMATIC RECOGNITION WAS GIVEN IN A SHARPLY WORDED STATEMENT WHICH WAS THE FIRST OFFICIAL UNITED STATES REACTION TO THE PROCLAMATION OF THE GUERRILLA RUMP STATE. IT WAS DIRECTED AT FOREIGN NATIONS IN GENERAL, WITH PARTICULAR REFERENCE TO YUGOSLAVIA, ALBANIA AND BULGARIA, TO WHOSE BORDERS WITH GREECE THE UN ASSEMBLY DISPATCHED A SPECIAL BALKAN WATCH COMMISSION THIS FALL.

"THE CLAIM OF CERTAIN COMMUNIST GERRILLA LEADERS THAT THEY HAVE ESTABLISHED AT SOME UNKNOWN POINT A 'FIRST PROVISIONAL DEMOCRATIC GOVERNMENT OF FREE GREECE' IS A TRANSPARENT DEVICE THE TRUE PURPOSE OF WHICH WILL BE CLEAR TO EVERYONE," THE STATEMENT SAID.

"IT IS ONLY A PHASE IN THE FAMILIAR EFFORT OF CERTAIN ELEMENTS TO OVERTHROW THE LEGITIMATE AND RECOGNIZED GREEK GOVERNMENT AND TO THREATEN THE TERRITORIAL INTEGRITY AND POLITICAL INDEPENDENCE OF GREECE. IT CAME AS NO SURPRISE. IN ITSELF, IT WOULD NOT MATERIALLY CHANGE THE EXISTING SITUATION.

"BUT IF OTHER COUNTRIES WERE TO RECOGNIZE THE GROUP, THIS STEP WOULD HAVE SERIOUS IMPLICATIONS. IT WOULD BE CLEARLY CONTRARY TO THE PRINCIPLES OF THE UN CHARTER.

"AND IF THE COUNTRY CONCERNED WERE ONE OF GREECE'S NEIGHBORS TO THE NORTH, THE ACT WOULD CONSTITUTE AN OPEN DISREGARD OF THE RECENT RECOMMENDATIONS OF THE UN ASSEMBLY, AS SET FORTH IN THE RESOLUTION OF LAST OCTOBER."

BESIEGED BY QUESTIONS WHETHER THE UNITED STATES PLANNED NEW ACTION AS THE RESULT OF THE GUERRILLAS' PROCLAMATION, LOVETT TOLD REPORTERS

1. GREECE PRESUMABLY WOULD APPEAL TO THE UNITED NATIONS IN THE EVENT HER NORTHERN NEIGHBORS OPENLY BACKED THE REGIME HEADED BY GENERAL MARKOS VIFIADES.

2. UNITED STATES FUTURE POLICY WOULD OF COURSE BE RELATED TO CIRCUMSTANCES, AND LOVETT SAID HE WAS NOT WILLING TO STATE AT A TIME LIKE THIS WHAT OUR POLICY WOULD BE. THIS REPLY WAS IN A RESPONSE TO A QUESTION WHETHER THIS GOVERNMENT INTENDED TO STAND ON A POLICY OF SUPPLYING THE GREEK ARMY WITH TECHNICAL ADVISERS RATHER THAN ACTUAL TROOPS.

3. THE UNITED STATES HAS DISCUSSED WITH BRITAIN THE RETENTION IN GREECE OF HER REMAINING FORCE OF SOME 5,000 MEN, BUT HAS NO DEFINITE AGREEMENT ON WHEN THEY WILL BE WITHDRAWN. LOVETT SAID THAT DESPITE REPLACEMENTS, HE UNDERSTOOD THE BRITISH MISSION REMAINED AT ABOUT THE SAME STRENGTH AS LAST SUMMER.

ABOUT 90 AMERICAN ARMY OFFICERS, HEADED BY MAJOR GENERAL WILLIAM G.LIVESAY, ARE IN GREECE. THEIR FUNCTIONS ARE LIMITED TO ADVISING THE GREEK ARMY STAFF, BUT THEY MAY ADVISE DOWN TO THE LEVEL OF ACTUAL COMBAT DIVISIONS UNDER AN ARMY DEPARTMENT ORDER OF LAST MONTH.

LOVETT WAS TOLD THERE WAS A REPORT THE MARINE CORPS HAS BEEN ALERTED "FOR SERVICE IN GREECE OR NEAR GREECE." HE SAID THE MARINE CORPS ITSELF WOULD HAVE TO SAY WHETHER THIS WAS TRUE.

A MARINE CORPS SPOKESMAN SAID IN ANSWER TO INQUIRIES THAT SUCH REPORTS ARE "UNTRUE". HE SAID THAT THEY PROBABLY WERE OCCASIONED BY PREPARATIONS BEING MADE FOR WINTER MANEUVERS. HE NOTED THAT THE MARINE CORPS IS "ALWAYS READY TO GO."

J648PES

DEC 10 1947

WASHINGTON, DEC 30-(AP)-THE GOVERNMENT HAS DECIDED TO PERMIT DEZSO SULYOK, LEADER OF THE ANTI-COMMUNIST HUNGARIAN FREEDOM PARTY, TO COME TO THE UNITED STATES, SENATOR BALL (R-MINN) SAID TODAY.

BALL TOLD A REPORTER THE STATE DEPARTMENT INFORMED HIM IT HAS ASKED AMERICAN OFFICIALS AT BERN AND VIENNA TO ISSUE VISAS TO SULYOK AND TO COUNT JOSEPH PALFFY, A MEMBER OF HIS PARTY, IF THEY ARE IN SWITZERLAND OR AUSTRIA, AS HAS BEEN REPORTED.

SULYOK LAST JUNE 12 CAUSED AN UPROAR IN THE HUNGARIAN PARLIAMENT BY ATTACKING THE COMMUNISTS, THE SECRET POLICE, THE CABINET AND FERENEC NAGY, THE OUSTED PREMIER, FOR THEIR PARTS IN THE POLITICAL CRISIS UNDER WHICH THE COMMUNISTS ASSUMED CONTROL.

BALL LATER SENT LETTERS TO PRESIDENT TRUMAN AND TO SECRETARY OF STATE MARSHALL ASKING THAT SULYOK AND 15 OTHERS IN HIS GROUP BE GIVEN PERMISSION TO COME TO THE UNITED STATES.

IN HIS LETTER TO THE PRESIDENT, BALL SAID HE HAD LEARNED THAT SULYOK, HIS WIFE AND SEVEN PARLIAMENT MEMBERS BELONGING TO HIS PARTY HAD ESCAPED FROM HUNGARY AND HAD GONE TO THE AMERICAN OCCUPATION ZONE IN AUSTRIA.

"I AM SURE," BALL WROTE, "YOU WILL RECALL SULYOK AND THE TERRIFIC SPEECHES HE MADE IN PARLIAMENT LAST SUMMER X X X.

"IN VIEW OF OUR FOREIGN POLICY, IT SEEMS TO ME THAT WE SHOULD DO EVERYTHING POSSIBLE X X X TO AFFORD SULYOK AND HIS GROUP HAVEN IN THE UNITED STATES UNTIL THE ISSUE IN EUROPE IS RESOLVED."

THE STATE DEPARTMENT TOLD THE SENATOR IT HAD NOT RECEIVED A REPLY FROM EITHER BERN OR VIENNA AS TO WHETHER SULYOK AND PALFFY HAD BEEN LOCATED.

SU643AES

100) WASHINGTON,DEC. 30-(AP)-THE NAVY SAID TODAY A GROUP OF ITS ANTARCTIC EXPLORERS MADE THEIR FIRST LANDING OF THE SEASON ON THE SOUTH POLAR COASTLINE IN TWO SNOW TRACTORS YESTERDAY.

THE ICEBREAKERS BURTON ISLAND AND EDISTO BOTH SENT PARTIES ASHORE OFF THE WESTERN EDGE OF THE SHACKLETON ICE SHELF FOR SURVEY WORK. HELICOPTERS ARE MAINTAINING COMMUNICATIONS WITH THE SHORE GROUPS WHILE THE SHIPS MOVE TO THEIR NEXT CAMP, TO LEAVE ANOTHER GROUP BEFORE RETURNING FOR THE FIRST.

IN ALL 45 PLACES WILL BE VISITED BETWEEN NOW AND NEXT MARCH, THE NAVY SAID.

1947

VX1033PES

30.24- 14563

WASHINGTON,DEC.30-(AP)-A ROUNDED PROGRAM FOR DEVELOPMENT OF ALASKA IS BEING PREPARED FOR SUBMISSION TO THE NEXT SESSION OF CONGRESS.

WILLIAM E.WARNE, ASSISTANT SECRETARY OF THE INTERIOR, TOLD A REPORTER TODAY THE INTRDEPARTMENTAL COMMITTEE ON ALASKA IS WORKING ON THE PROGRAM AND HOPES TO BE ABLE TO PRESENT IT TO CONGRESS EARLY IN 1948.

DEC 1947

HE SAID IT WOULD PROVIDE FOR ROAD BUILDING, HOUSING CONSTRUCTION, IMPROVEMENT OF TRANSPORTATION TO AND WITHIN THE TERRITORY, AND IN GENERAL FOR IMPROVEMENT OF THE TERRITORY'S ECONOMIC SITUATION.

EVERY DEPARTMENT OF THE GOVERNMENT HAVING AN INTEREST IN ALASKA WILL BE REPRESENTED IN THE PROGRAM WHEN IT IS COMPLETED BY THEIR REPRESENTATIVES ON THE INTERDEPARTMENT COMMITTEE, WHICH HAS BEEN WORKING SINCE LAST SEPTEMBER.

DELEGATE BARTLETT OF ALASKA SAID HE HAD BEEN INFORMED THE PROGRAM HAD DEVELOPED TO SUCH A POINT THAT ITS SUBMISSION TO CONGRESS MAY BE IN A FORM OF A PRESIDENTIAL MESSAGE.

PREVIOUSLY THE PRESIDENT HAS URGED DEVELOPMENT OF THE TERRITORY AND THE ARMED FORCES HAVE DECLARED ITS ECONOMIC DEVELOPMENT IS NECESSARY IN THE INTEREST OF NATIONAL DEFENSE.

BARTLETT SAID HE HAD BEEN TOLD ALL DEPARTMENTS INTERESTED IN ALASKA ARE STRONGLY BACKING THE UNIFIED PLAN AND THAT "THEY WILL SEEK FUNDS FROM CONGRESS FAR IN EXCESS OF ANYTHING EVER BEFORE APPROPRIATED FOR THE TERRITORY, ESPECIALLY WITH RESPECT TO TRANSPORTATION FACILITIES."

MD454AES

End Dec. 30, 1947

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30.24- 14565

MOLOTOV PUTS BLAME ON U. S. FOR BIG 4 RIFT

Lays Full Responsibility for London Deadlock on Washington.

REPEATS EARLIER CHARGES

Says Only Gains Made in Recent Conference Were Due to Russian Efforts.

E. C. Moore DEC 1947

Moscow, Dec. 31 (A. P.).—Full blame for the collapse of the recent London Foreign Ministers' conference was charged to the United States today by Soviet Foreign Minister V. M. Molotov, who declared that only the Russian delegation's efforts kept it from being entirely fruitless.

In a long, three-part statement, published in the Russian press and broadcast by the Moscow radio, the Russian Foreign Minister declared that the reasons for failure to arrive at an agreement on a German peace treaty were not accidental.

DAY

"They reflect," he said, "two different approaches to the German problem."

He repeated the charges he made at the Big Four conference in London, which broke up December 15 after seventeen sessions without agreement. Molotov declared that plots were afoot to make Germany, or at least the western part of it, "the object of a certain American plan in Europe."

"Germany," he continued, "is being promised billions of dollars in the guise of economic restoration. American Senators and all kinds of other American business men, who are bossing the Western zones and helping big business bore deeper into the industry and banks of western Germany, are passing judgment on and deciding the affairs of Germany. It now also is known that actual power in the Anglo-American zones is being transferred from united Anglo-American organs directly to Americans, who have accumulated more dollars."

Accuses U. S. Delegation.

Molotov said assertions that solution of the reparations question (Russia wants ten billion dollars) is difficult because of lack of information from the Soviet zone "are, of course, baseless."

He charged that the American delegation "undertook to disrupt the entire work of the London conference" because "for some reason" the United States was anxious to delay settlement of Germany's future.

He charged again that the Western Powers, led by the United States, were following a policy "aimed at Germany's disintegration rather than unity, a policy . . . which has already resulted in the actual splitting of Germany."

Sees Blow at Potsdam Pact.

This American plan, he continued, "utterly disregards the interests of other states which participated in the anti-Hitler coalition. It is aimed at abolishing the Potsdam agreement, which conforms to the interests of peace and security of the nations of Europe."

The reason why the United States wants to maintain the "present unsettled conditions" in Germany as long as possible, Molotov said, was that "when a state of war has not yet been terminated one can without any scruples dictate to Germans any recipes for treatment of the German economy, imposing upon these very Germans any obligations in payment for this so-called aid."

This was an obvious thrust at the Marshall plan for aid to Europe, which the Communists are dedicated to defeat.

Molotov suggested that American policy in Europe was "dictated by fear that Germany will re-establish herself as an effective competitor in world markets, in which American monopolies and their affiliates in Europe are seeking to dictate their will."

The American plan, he charged, "reflects a desire to convert western Germany into a base for extending the influence of American imperialism in Europe."

Molotov Fixes Price to Reveal Germany Data

Will Tell What Was Taken if Allies 'Behave With Deeds' on Reparations

E. Gilmore

By The Associated Press

MOSCOW, Dec. 31.—Foreign Minister Viacheslav M. Molotov said today the Soviet Union is ready to give out information on the reparations it has withdrawn from eastern Germany "if other powers will behave with deeds, not words, regarding reparations."

He blamed the "ruling classes" in the United States for the failure of the recent Council of Foreign Ministers in London. Secretary of State George C. Marshall "in this case was followed" by British Foreign Secretary Ernest Bevin and French Foreign Minister Georges Bidault, he said.

[During the London conference Mr. Molotov reiterated the Soviet demand for $10,000,000,000 in reparations from Germany. Mr. Marshall, in opposition, took the position that this could only be paid if American and British taxpayers continued paying for a considerable amount of Germany's basic needs. He maintained that Russia had not furnished information on reparations already withdrawn from eastern Germany.]

Mr. Molotov's report on the London council was made at a news conference for Russian newspaper men and was published today in the Moscow press.

The Foreign Minister said the failure of the conference was not accidental but reflected "two different approaches to the German problem." He repeated his accusation that plots are afoot to make Germany, or at least western Germany, "the object of a certain American plan in Europe."

"Germany," he declared, "is being promised billions of dollars in the guise of economic restoration. American Senators and all kinds of other American business men who are bossing the western zones and helping big business bore deeper into the industry and banks of western Germany are passing judgment on and deciding the affairs of Germany.

"It is now also known that actual power in the Anglo-American zone is being transferred from united Anglo-American organs directly to Americans who have accumulated more dollars."

Large American credits, Mr. Molotov asserted, would burden greatly the small and middle German business men, not to mention the mass of the population "whose opinion is not even asked for."

"We are told," he continued, "either the drawn-up American plan in regard to Germany will be accepted or nothing will be signed, not even paper agreements on the peace treaties."

Regarding the German peace treaty, he asserted that the United States has had a change of heart and is seeking to delay a solution of the question.

Mr. Molotov declared that a "number of decisions" were adopted at London, "principally because of Soviet efforts."

"It is quite evident," he said, "that the establishment of peace in Europe cannot be completed without peaceful regulation. The facts prove that only the Soviet Union wanted the London conference to end in a peace treaty for Germany and a stable Germany."

On the question of restoring German unity, Mr. Molotov said that the attitude of the United States, Britain and France "made it impossible to advance the cause." He repeated previous assertions that only Russia wants German unity, while the others actually want to dismember Germany.

He declared that plans are under way for the French to join the united American and British Zones of Germany, forming a "trizonia."

"The failure of such a policy is inevitable," he asserted.

DEC 1947

Soviet Cutting Some Prices

Moscow, Dec. 31 (AP)—The Soviet press announced today that the Central Council in charge of consumers's co-operative stores in Moscow and Leningrad had decided to lower prices on fish, butter and other food items to the levels prevailing in all state stores.

DAY

The co-operatives, which are exempt from price-fixing decrees, hitherto have charged prices slightly higher than the state store network.

Co-operative stores outside Moscow and Leningrad apparently will continue their old price policy.

DEC 1947

KING HONORS 630 BRITONS

Five New Peers Created; Poet T. S. Eliot On List

London, Dec. 31 (AP)—King George bestowed 630 awards in his New Year's honors list for 1948 tonight.

The list, in which five new peers were created, was notable for its inclusion of an unusually high proportion of women—93—and for its recognition of service in India where British rule has ended.

Only one of the new peers was recognized for political and public services. He is Sir Valentine Crittall, former Labor member of Parliament, who receiver a barony.

Lord Hyndley, chairman of the National Coal Board, now a baron, becomes a viscount. The 62-year-old industrialist received the honor for his "record of public service since 1931."

Eliot Is Honored

Air Marsal Sir Sholto Douglas, chief of the RAF fighter command from 1940 to 1942, was made a baron.

T. S. Eliot, American-born, naturalized Briton, poet, dramatist and essayist, received the Order of Merit. He served in the United States Intelligence Department during World War I and became a British citizen in 1927.

The King created six new privy counselors and 29 knights. Among the recipients of knighthoods is Prof. John D. Cockcroft, director of Britain's atomic-energy research establishment.

A special supplement recognized service in operational mine sweeping and mine and bomb disposal since the end of the war.

Film Maker Knighted

Michael Balcon, one of Britain's leading film producers, who celebrated the twenty-fifth anniversary of his entry into film making last month, received a knighthood.

Among others, awards of the Order of the Star of India went to Lieutenant General Sir Archibald Edward Nye and Sir Frederick Burrows, last British governors of Madras and Bengal in India, and to three maharajas.

The royal wedding of Princess Elizabeth and Prince Philip was marked by appointments to the Royal Victorian Order for three women of the royal family as Dames Grand Cross—the Duchess of Gloucester, Duchess of Kent and Princess Alice (Countess of Athlone)—and the Very Rev. A. C. Don, dean of Westminster Abbey, as a knight commander of the order.

Companions Of Honor

V. Sackville-West, the novelist and poet, and Miss Margaret Bondfield, Minister of Labor in the Labor Cabinet of 1931, were named companions of honor. Also among the women honored was Countess Mountbatten, wife of India's Governor General, named a Dame Grand Cross of the British Empire.

Alfred Duff Cooper, retiring Ambassador to France, and Sir Oliver Charles Harvey, his successor, were named knights grand cross of the Order of Saint Michael and Saint George.

Among lesser honors the Order of the British Empire went to Capt. George Edward Thomas Eyston, motor speed driver who held the prewar world's record; the honor of Member of the British Empire to Peter Beveridge, superintendent of Scotland Yard's criminal investigation division, and an O.B.E. to Fred Russell, 85, variety hall artist credited with being the first ventriloquist to work with a single doll.

Recipient of the Order of St. Michael and St. George, as a Knight Grand Cross, was Argentine-born Sir Wilfred Eady, second secretary to the Treasury and leading negotiator in the British financial talks with Argentina, Uruguay, the United States and other countries.

Britons to Register For Labor Draft

London, Dec. 31.—All young men and women in Britain who are not essentially employed must register between January 19 and 24 so that the Government may assign them jobs considered vital to the task of rebuilding the nation's economy. Affected are all men between 18 and 24 years of age and all women between 18 and 20. Classed as non-essential workers are night club employees, entertainers, bookmakers and those engaged in similar pursuits.

1947 Goal Near For British Mines

LONDON, Dec. 31 (AP).—The first year of State operation of Britain's nationalized coal mines ends today with officials forecasting achievement of the 1947 target of 200,000,000 tons—a goal regarded as impossible only a few months ago.

Through Dec. 27, the Government announced, 1947 production totalled 196,589,000 tons. Total production in 1946 was 189,822,000 tons.

The 1948 target is 214,000,000 tons—enough to provide at least 10,000,000 tons for badly needed exports.

Galluses in Britain Snap Back to Normal

LONDON, Dec. 31 (AP).—British males, who have been complaining they are no longer able to keep their trousers up, were promised relief tonight. The Board of Trade announced that all-elastic suspenders are to be manufactured for the first time since 1943, when rubber became scarce, and should be on sale soon.

A Briton, in a recent letter to "The Times," commented acidly on braces which quickly lost their elasticity and asked for suggestions for keeping his trousers up.

He was advised to buy a kilt.

Newsprint Up In Britain

London, Dec. 31 (AP)—The British Press Association announced today that the price of newsprint manufactured in Britain would be increased by £9 ($36) a ton on January 4, bringing it to approximately £46 ($184).

Brewster Predicts Rise In U. S. Touring Abroad

LONDON, Dec. 31 (AP).—Senator Owen Brewster, Republican, of Maine, chairman of the Joint Congressional Board on Aviation Policy, contended today that American aviation can and will reduce trans-Atlantic plane fares by more than 50 per cent within five years.

Back from an aerial trip to Paris, Istanbul, Athens, Cairo and Rome, he predicted, in an interview, a swiftly expanding growth in American tourist trade abroad, amounting to $3,000,000,000 during 1948. He argued that the tourist trade would prove the greatest single factor in making up Europe's dollar deficits, and would increase good will by developing acquaintances among the ordinary people of the world.

"I tell 'em over here," Senator Brewster said, "that they've got the greatest bunch of ruins in the world, and they ought to capitalize on them, just as we sell the scenery to visitors to Maine. They can't take it away with them. And you can sell it over and over. It's good Yankee business."

3 War Fiancees Delayed, U. S. Lifts the Deadline

LONDON, Dec. 31 (AP).—American immigration authorities today granted help to three Austrian girls delayed by airplane engine trouble on theirrace against time to love and homes in the United States.

An act permitting fiancees of former service men to enter the United States without regard to immigration quotas expires at midnight. The girls, bound for the United States from the Russian one of Vienna, shed tears as they waited at London for repairs to their Pan American World Airways plane.

The air line obtained special permission from New York immigration authorities by telephone for the girls to enter after their delayed flight.

Miss Helene Buchanwald said: "It is not our fault the plane has engine trouble. You can't send us back now. Please phone our fiances. I am sure they will do something, even appeal to the President." Her fiance is Bruce W. Olsen, of San Diego, Calif.

Miss Angela Huber is en route to be married to Harold Thoms, of Butternut, Wis., and Miss Ludowika Marchattinger's fiance is Wallace Wood, of Pierre, S. D.

Schuman Tells France To Battle Inflation

Paris, Dec. 31 (AP)—Premier Robert Schuman said tonight that France could be worthy of the "generous aid of our American friends" by making "the most heroic efforts" to save herself from inflation.

In a broadcast, Schuman reviewed the past year and urged the French people who "applauded the Government's firmness against the political strikes" to "understand that the same firmness is necessary against the economical and financial disorder."

2 Non-Communist Labor Groups In France To Merge

Paris, Dec. 31 (AP)—Two French labor movements claiming to represent 1,250,000 unionists agreed to merge today and form a new central organization opposing the Communist-led General Confederation of Labor.

The outfits are the "Workers Force" of about 1,000,000 members, who quit the confederation earlier this month, and the National Coordinating Committee of Independent Unions, representing 250,000.

The new group planned to launch a drive to win over other associations and form a new federation of "pure trade unionism" without ideology or political activity.

Qavam Flying To Nice via Paris

Paris, Dec. 31 (A. P.).—The Iranian Legation said today that former Premier Ahmed Qavam of Iran changed planes at Paris today on his way from Tehran to Nice.

The former Premier did not stop in the French capital, an informant said. Previous reports had said that Qavam had intended to go to Switzerland for medical treatment. It was not clear whether he was to go there from Nice.

Paris 'City Of Lights' Again; Few Celebrate

Paris, Dec. 31 (AP)—Paris for one night was again "the city of lights" tonight, but few people were seen in the streets.

The municipality, which usually cuts street lighting to a minimum to conserve electricity, allowed all public illumination to remain aglow for New Year's Eve.

Paris restaurants and Montmartre night clubs were not crowded because of their high prices.

Champagne in the night clubs was selling at from $15 to $22 a bottle.

Army Returns Silver Service To Mannheim

Frankfurt, Germany, Dec. 31 (AP). The United States Military Government said today that 208 pieces of silver table service belonging to the City of Mannheim and allegedly shipped to the United States by an American officer have been returned to the city.

The silver was recovered at a United States port by customs officials. A military government officer, whose name was not announced, obtained the set from the city in 1945, apparently for use in an officers' mess, investigators said. The case has been referred to the Bureau of Customs in Washington for action.

Shortage Of Pit Props In Ruhr

Frankfurt, Germany, Dec. 31 (AP). American and British authorities said today a critical shortage of pit props threatened to close many coal mines in the Ruhr just as the hardest part of winter approached. Germans were warned they must expedite pit wood production and delivery or be cold. The announcement said the supply was good for only sixteen days and was falling rapidly.

Communist Threat In Italy

Rome, Dec. 31 (AP)—Italy's Communists today offered Premier Alcide de Gasperi as their New Year's greetings the threat of sabotage and force, if necessary, to attain their ends.

The Communist newspaper *L'Unita* printed seven columns of a speech by Luigi Longo, the No. 2 Italian Communist, at the third annual congress of the Rome province Communist federation in which he declared "we are prepared to resist with force if you (de Gasperi) recur to force to crush these aspirations of the popular masses."

Fought Nazi Occupation

Organizer of the Communist partisan brigades which fought Nazi occupation forces and Mussolini's second Fascist Government in northern Italy, Longo recalled his experience in leading the underground resistance and added:

"The hardest blows we struck to shatter the Fascist and Nazi mechanism of oppression were not in armed combat but with this great mass action that counted not only 100,000 or 200,000 partisans but millions of workers who opposed as one man that so-called Salo Government."

The Salo Government was Mussolini's short-lived northern Italian Government at the war's end.

Revolution Last Resort

"This Government was in fact nonexistent because over vast zones of the occupied territory it was not the Salo Government or the Germans that commanded but the committees of national liberation," Longo declared.

He then boasted, "today also, in different situations, for immediate objectives, we can render inoperative any reactionary will and intention of American imperialism and its Italian slaves. We can impose those measures, those provisions that they do not want to carry out."

He said revolution would be the last resort and the party, "thrown out the door" of the de Gasperi Government last May, "would come back by the window."

Wolves In Government

But he added: "In a world of wolves, force counts, and wolves today are in the Government. We must oppose to these wolves, national or American, the resistance, the organized force of the great masses."

That force, he said, would be first applied through the newly organized Leftist agencies, the National Committee for "Labor Councils" in factories, the Agrarian League for Land Redistribution, the Association of Communist and Socialist Mayors and the "Popular Front of Liberty, Peace, Work."

Longo took a slap at Pope Pius, whose Christmas Eve message to the world strongly condemned communism without mentioning it by name. Longo said the Pope had attempted to transform the formula, "who is not with Christ is against Christ" into "who is not with Christian Democracy (de Gasperi's party) is against it and must be combated as an enemy of religion and the nation."

End Of Chapter

The bells of the New Year brought into being the new Italian republic, whose constitution has just been completed, almost simultaneously with the burial of former King Vittorio Emanuele across the Mediterranean in Egypt.

For many of the 10,000,000 Italians who voted for a continuance of the monarchy and the House of Savoy the former King's death emphasized the end of a chapter.

As 1948 began de Gasperi appeared in a stronger position than ever as a result of the demonstration in the Rome general strike this month that his Government could deal energetically with mob threats.

But in the new year, next April, he will face his greatest test when a new National Assembly is elected.

Demand Referenda

A slight gain for the Premier was seen today in a compromise agreement in the Communist-dominated Italian General Labor Federation which prevented a split in organized labor and at the same time gained a few points for Christian Democrat labor leaders.

The Christian Democrats, who refused to go along with the Communists and Socialists in many strikes ordered throughout Italy in

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the past several weeks, had demanded that referenda be held among the workers before any future strikes are called.

They did not win their whole point in the federation's national congress today, but they did win the concession that federation executives would work out means of protecting the rights of the minority. It was agreed that the minority may abstain from, but not obstruct or sabotage, strikes called by the Communist majority.

Few Romans See U.S. 'Friendship' Food Arrive

Rome, Dec. 31 (AP)—Rome dressed its shabby railway station in the national colors, the purple and gold of the municipal flag, and the Stars and Stripes today to celebrate the arrival of the first Friendship Train from the United States.

The main streets were blocked off for a parade of gayly beflagged and postered trucks, but only a thin line of people assembled along the mile route from Hermini Station to the City Hall to see the gift of food from the American people which arrived in Naples Sunday aboard the ship Exiria.

Pope Says World Is At Crossroads

Vatican City, Dec. 31 (AP)—Pope Pius, in a New Year's Eve audience for diplomats at the Holy See, said today that in 1948 "The world will find itself at the crossroads."

The new year, he said, would be one of "very grave decisions, decisions perhaps irrevocable," but that he did not share the views of those who "count this new year in advance among the most calamitous of history."

"More than ever," he added, "clear-sighted and disinterested spirits . . . are convinced of the indivisibility of peace. However formidable the obstacles to realization of that idea may appear, they will not be able to discourage us."

It was the Pope's first audience since his recent illness.

GREEK ARMY GAINS LINK TO KONITSA

Guerrillas Pushed Back As Troops Capture Strategic Bridge

DEC 1947 I.S. Chakales

Athens, Dec. 31 (AP)—The attempt by Greek Communists to seize Konitsa as a capital for their newly proclaimed "free state" has been beaten back by fiercely fighting Greek troops, the Ministry of War announced today. Two columns of relief troops moved toward the embattled garrison before diminishing resistance.

One column, the communiqué said, is only a mile and a half from Konitsa and is in communication with the garrison. It has completed mopping up the Voidhomata River valley, which runs parallel to the Kalpaki-Bourozani bridge highway near the western edges of Konitsa.

NIGHT

Reports Bridge Captured

The communiqué said the second column, constituting the bulk of the relieving forces totaling some 4,000, had captured the Bourozani bridge 11 miles west of Konitsa. However, other authoritative reports said the bridge had been blown up by retreating rebels but had been repaired and that government forces were moving across it into the plain north of Konitsa.

Fighting in this area was described as heavy.

The communiqué said the "condition of the guerrillas after their defeat at Kalpaki is lamentable."

It apparently referred to the ferocious fighting which had occurred along both sides of the Kalpaki-Konitsa road preceding capture of the Bourozani bridge.

DEC 1947

Held Virtually Over

Military authorities expressed the opinion that although fighting still is proceeding in front of Konitsa, the battle for the town is virtually over. The garrison of approximately 1,000 has been holding on since Christmas Day against approximately 10,000 irregulars.

It was not certain whether the smaller column nearest Konitsa had been able to cross the Aoos River. Both the Aoos and the Voidhomata are in flood.

Unofficial reports said the guerrillas now are retreating northeast to Voion, Smolikas and the Grammos Mountains. They have held their stronghold in these mountains for many months.

The impending relief of Konitsa's garrison caused jubilation in the Greek capital. Implications of the sound defeat given the guerrillas were viewed as far-reaching.

Laud Soldiers' Courage

Military circles expressed keen satisfaction with the rapidity of the guerrillas' defeat and the courage of the Greek soldiers, which they said was "reminiscent of the glorious days of 1940" when the Greeks hurled back Mussolini's numerically superior forces.

An emergency meeting of the Cabinet was held tonight. With chiefs of the army, navy, air force, police and gendarmerie present, measures were decided on for future internal security.

Bad weather hampered air operations to believe Konitsa, but the garrison held on firmly and early this morning withstood its third attack in twelve hours. One dispatch said the hills of the Prophet Elias and Aghia Athanasos, key outer defense points, were "literally covered" with bodies of guerrillas.

Ideal For Vafiades's Plan

Konitsa, which normally has a population of 10,000 but in addition is now sheltering some 40,000 refugees, would have made an ideal capital for Markos Vafiades's provisional Communist government. It is only 8 miles from the Albanian frontier and can be reached by only one main Greek road—that leading from the Bourozani bridge. On the Albanian side, however, two main routes lead to the city.

Smolikas, Gamila and Grambala mountains protect it from the rear. Only to the north is Konitsa exposed, from the direction of the plain. One military authority said that if the city had been taken by the guerrillas, the army could not have pushed them out before spring because of the terrain and snow.

[In London, a high British Government source said the British garrison in Greece, estimated at 5,000, will remain in the country "as long as it is convenient to do so." He described as "nonsense" reports published in London that Britain has asked the United States to replace the British force with American troops.]

2 Relief Columns Advance, Rebel Retreat Seen

DEC 1947 I.S. Chakales

Athens, Dec. 31 (AP)—Military authorities expressed the opinion late today that guerrillas were withdrawing from besieged Konitsa and that the battle for the town, which Greek Communists coveted as a capital, was virtually over.

A semi-official report said two Greek Army relief columns had moved into the immediate environs of Konitsa and that the bulk of regular forces was waiting to cross the wreckage of the Bourozani bridge, which the guerrillas blew up, eleven miles west of the beleaguered town.

One relief column was within sight and a mile and a half away, advices from the zone said.

No Resistance At Bridge

It was reported that no resistance was encountered around the Bourozani bridge, which is situated on the one main road into Konitsa.

Guerrilla forces, estimated to number 5,000, have been besieging Konitsa's garrison of 1,000 men since Christmas.

Konitsa lies eight miles from the Albanian frontier.

Geographically and strategically it would make an ideal capital for the Communist regime of Gen. Markos Vafiades. Mounatins up to 7,000 feet procide natural fortifications to the east, south and southwest. Greek authorities say the rebels are being supplied from Albania.

40,000 Refugees

The normal population of the town is 10,000. Official reports to the American Mission to Aid Greece recently said that about 40,000 refugees had moved in, many living in shelters in the outer defenses. There was no official information about how the refugees have fared in the fighting.

One military authority said that had the guerrillas captured Konitsa and been allowed time to consolidate positions and open supply lines to Albania, the Greek Army could not have evicted them before spring because of the terrain and snow.

Lieutenant General Kalogeropoulos, commander of the 2d Army Corps, sent this message to the garrison:

"Be brave. Make a final valliant effort. Strong units are moving toward Konitsa. We shall meet and shake hands today."

Wounded To Be Decorated

In another message, to the 75th Brigade, which is defending Konitsa, Kalogeropoulos said:

"By authority of the King, I award to all wounded officers and men the military cross. I reserve the privilege personally to pin these decorations on your breasts."

The War Ministry said earlier that rebel resistance at Konitsa was "petering out" and military observers said the city was virtually out of danger.

300 Rebels Reported Killed

Rebel losses in the immediate Konitsa area were estimated at 300 dead, 600 wounded and about 100 captured.

The wounded were being taken to Albanian hospitals, military sources said, and one official report said several sections of the attacking force were retreating toward Albania.

Other reports said a truck column had been sighted bringing reinforcements south from Leskovic, Albania, toward the frontier near the Bourozani bridge.

Shells Dropped On Rebels

The Army pushed guns and men to within light-artillery range of the besiegers last night and began lobbing shells into guerrilla positions north and west of the town.

Military observers said Konitsa would be saved unless an international brigade, reportedly formed in Albania, was thrown into the fight as a Communist face-saving gesture. The conservative newspaper *Ethnos* said such a brigade was moving toward the Greek frontier, but confirmation was lacking.

Premier Themistokles Sophoulis declared in a formal statement that there was "no more reason for unrest" and that only a few more days would be needed for "fully clearing up the situation, which is very good."

"Work Of Foreigners"

Military authorities in Athens described the attack on Konitsa as "well conceived and part of an elaborate plan by staff officers and a piece of serious business." They said it obviously was "the work of foreigners."

Military observers said the rebels had expended an unmeasurable amount of ammuniiton and that their firepower at times had exceeded that of the regular army.

One of the delegates of the United Nations Special Commission on the Balkans, which has an observer team at the front, said it was trying to determine what type of ammuntion the guerrillas were using. Greek authorities said the guerrillas were employing 65-millimeter guns, which must have come from abroad since they have never been used by the Greek Army.

In Thrace, along the Bulgarian border in the Rodope Mountains, the army said mop-up action was being taken against 2,500 guerrillas. The report said rebel losses included 245 dead and 40 made prisoner. The army lost 11 killed, 40 wounded and 80 casualties from frostbite.

Ex-King's Funeral

Alexandria, Egypt, Dec. 31 (AP)—Guns in a land of exile boomed a military farewell for former Italian King Vittorio Emanuele III at twilight today during funeral services for the little monarch who had reigned over Italy nearly 45 years.

Royalty, Italian workmen who served as pallbearers, and officers of the Egyptian army, navy, and air force stood in the dimness of St. Catherine's Cathedral as the cannon outside thundered a 21-gun salute. Rifles crackled three salvos, and bugles sounded last post and reveille.

NIGHT

Umberto Kisses Flag

Then white-faced former King Umberto II, with tears streaming down his cheeks, kissed the Royal Italian flag that covered his father's casket.

Vittorio Emanuele, who was 78, died Sunday from double pneumonia. For twenty years he was largely overshadowed by Benito Mussolini. In May, 1946, he abdicated in a futile attempt to save the monarchy for his son Umberto. A month later his son also went into exile after a plebiscite had

favored a republic for Italy.

A religious service in the packed cathedral and burial in a vault beneath its main altar followed a procession in which the former King's body was borne on a gun carriage with an escort of friends and Egyptian troops through streets lined by thousands of townspeople.

Former Enemy Salutes

Umberto's sisters, the former Queen Ioanna of Bulgaria and Countess Valvi di Bergolo, kissed the flag-draped coffin. Then came Simeon II, former boy King of Bulgaria and Vittorio Emanuele's grandson, who made a sign of the cross in the manner of the Greek Orthodox Church.

Former King Zog of Albania, Vittorio Emanuele's enemy during World War II, stopped beside the casket and saluted, bringing his right hand across his heart. With him was former Queen Geraldine.

King Farouk of Egypt sent his red limousine to take the former Italian monarch's widow, former Queen Elena; her sister, the Princess Romanov of Russia, and other women of the royal family to the cathedral.

Egyptians Smash Windows

Cairo, Dec. 31 (AP)—Trucks loaded with police were dispatched to the crowded commercial center of Cairo tonight after many shop windows had been smashed by 20 to 30 Egyptians. The area contains the city's best restaurants, which were preparing for New Year's Eve celebrations.

15,000 Refugees Halted at Sea

HAIFA, Jan. 1 (Thursday) (AP).—Haganah, Jewish underground defense organization, said in a broadcast today it had learned that two refugee ships carrying 15,000 Jews to Palestine had been boarded at sea by British marines and ordered to proceed to Cyprus dentention camps.

The ships are the Pan York and the Pan Crescent, each heavily laden with visaless European Jews.

Six More Dead In Holy Land Warfare

Jerusalem, Dec. 31 (AP)—Six persons met violent deaths in the Holy Land today as Jews and Arabs continued a bitter war of reprisals and counter-reprisals.

The killings raised to 487 the toll of fatalities in Palestine since the partition decision was announced November 29.

In Tel Aviv, a young Jew was found shot to death in a park. Three Jews—one a young newsboy delivering copies of an English-language Zionist paper — and an Arab were killed in isolated outbreaks in Jerusalem.

The death of a British constable, wounded in a bombing in Jerusalem several days ago, accounted for the day's sixth fatality.

Two Buses Attacked

Two Jews were wounded when a bus was sprayed with gunfire and then bombed near the Arab office in Jerusalem. An Arab bus also was the target of small-arms fire, but there were no casualties.

Behind the scenes in this communal war, both sides meanwhile are quietly building up their armed forces for an anticipated showdown.

Recruiting of Jewish youths between 17 and 25 was launched in Jerusalem today, and a Jewish spokesman said he expected 8,000 to 10,000 armed men soon would be available for security duties.

Abdul Ader Husseini Bey, cousin of the exiled Grand Mufti and chief organizer of the Arab armed forces in Palestine, claims to have 100,000 men under arms in the Holy Land. He is reported to be recruiting at an average of 300 daily.

Learned From Germans

Popularly known as "the Bey"—an honorary Arabic title roughly corresponding to Count—he is well versed in military lore as a result of associations with the Iraqi and with the Germans. He says the Arab army will be organized on the German pattern, with modern weapons.

The Bey disclaims responsibility for any of the Arabs' guerrilla activities during the past month. As his chief lieutenant explained it: "Do you think we would send a few boys when we wanted to do a job? We have not yet begun to fight. We have yet to prove that this time the Arabs are not bluffing."

"People's Army" Forming

He indicated the Bey's forces were waiting to be joined in an anti-Jewish drive by a "people's army" now said to be forming in Syria. The united forces, he said, will be known as the Yarmuk Army—after the little river on the banks of which Moslem forces won their greatest victory over the Byzantines.

The Yarmuk emblem, he added, will be an eagle surmounting three stars.

Evidences of Arab preparedness are obvious in the old city of Jerusalem. There are Bren gunposts atop at least twoscore Arab buildings with gunsights leveled at the Jewish quarter.

In the fashionable Katamon residential section, owned mostly by Arabs, there are gunposts in the upstairs rooms of a dozen homes.

Pakistan Arms Tribal Raiders, India Charges

New Delhi, Dec. 31 (AP)—Competent officials of the Dominion of India said today their Government, "in an effort to avert war with Pakistan," will hale the Moslem dominion before the United Nations Security Council on charges that Pakistan is actively aiding tribal raiders in Kashmir.

These officials said Prime Minister Pandit Jawaharlal Nehru of India would make an official announcement to this effect within a few days and would discuss it fully at a news conference at that time.

Kashmir, a predominantly Moslem princely state in the extreme northern part of the subcontinent, acceded to the Dominion of India last October 27. The accession was announced in an official release of correspondence in which the Hindu maharajah, Sir Hari Singh, said:

"I have no option but to ask for help from the Dominion of India."

Fighting Continues

About 2,000 Pathan tribesmen previously had invaded Kashmir and had been engaged in combat by state troops and Indian and Sikh reinforcements flown into Srinagar, the Kashmiri capital. Fighting has gone on intermittently ever since.

One highly placed spokesman said today the Indian position is this:

"We have ample evidence that Pakistan is allowing raiders to maintain military bases on Pakistan soil from which striking forces enter Kashmir, commit depredations, then withdraw to bases where they are safe from pursuit by Indian troops whose duty it is to protect Kashmir, since that princely state has become part of the Indian Union.

Modern Weapons Used

"But the assistance has gone even farther. We know beyond question that raiders are using modern weapons and other implements of war which could have come only from Pakistan.

"This is an intolerable situation between two countries like India and Pakistan, both members of the United Nations and officially friendly countries. It is a complete violation of neutrality and an act of aggression against friendly India.

"Our desire is to appeal to the Security Council in the hope that by bringing the situation forcefully to the attention of the world we can avert war with Pakistan.

"Alternative Is War"

"The only alternative would be for our troops to cross the border into Pakistan and attack these strongholds of aggression against us or to attack them from the air. That, of course, would mean war."

The official said Pakistan had been kept advised of India's intentions. He said there was hope of a friendly settlement. The Kashmiri raiders have been identified by the Indian Government as mostly tribesmen from the northwest frontier province of Pakistan.

35 Hurt in India Student Riot

Police Disperse Group Defying Ban Against Meeting

BOMBAY, Dec. 31 (AP).—Twelve policemen and twenty-three students were wounded today in disturbances in Bombay's mill district when 1,200 delegates of the All-India Students' Conference defied a government ban against meeting at the Kamgar Maidan grounds.

After firing one volley of nineteen shots into the milling students, the police charged with wooden staves and dispersed them with tear gas. King Edward Memorial Hospital treated 105 students for the effects of tear gas.

CHIANG SEES DIVISION PLOT

Charges Red Menace Also 'Comes From Without'

Nanking, China, Dec. 31 (AP)—Chiang Kai-shek accused the Communists today of plotting to carve up China and declared the Red menace "comes as much from without as from within," an obvious reference to Russia.

The Generalissimo spoke in a year-end radio broadcast to his strife-ridden country. Never before has he come so close to mentioning the frequent Nationalist charge that Russia is aiding the Communists.

It was one of the longest public utterances since the end of the war and it became noticeably more bitter when he mentioned the Communist "rebellion."

Poverty And Death

"The present Communist menace," Chiang said, "comes as much from without as from within. Unless checkmated, it will cause the downfall of our nation, make unity impossible and reduce our people to serfs."

Declaring the main Communist force "must be annihilated within one year," the Generalissimo said the Reds had exposed "their real aim of carving Chinese territory into pieces to bring the country down to ruin."

"In attempts to realize their aims," he continued, "they have shown not the slightest hesitation in striking at the very roots of our national life, in upsetting our social and economic foundations. . . . The Reds want to see widespread poverty and death in China, instead of peace and security."

Confident On Manchuria

Chiang blamed all China's economic difficulties on the Communists and urged "severe public censure and sanctions" against business interests who, in effect, help the Reds by violating Government regulations.

The Generalissimo expressed confidence of Government success in Manchuria, where the Communists are embarked on a winter offensive. This was his plan for cutting down the Communists:

"First, crush the organized main forces, then proceed to weed out roving bands of rebels at various places.

"Though we cannot expect immediate results in military operations, the main forces of the Communist rebels must be annihilated within one year. Afterward, it may take two years to clean up the remnants."

The Generalissimo called for complete support of his general mobilization order as the only means of assuring China's existence as "a free and independent nation."

Chiang In Grim Review Implies Russia Is Aiding Rebels

Nanking, Dec. 31 (AP)—Generalissimo Chiang Kai-shek charged today that China's "present Communist menace comes as much from without as from within"—plainly implying that Russia is helping the Chinese Reds.

"Unless checkmated," he told his people in a New Year's broadcast, "it will cause the downfall of our nation, make unity impossible and reduce our people to serfs."

The reference—the first from so high a source directed at oft-reported but unconfirmed Russian help—was the Chinese leader's only mention of any foreign influence in China's civil war. It came in one of his longest speeches since the end of conflict with Japan — an overall grim review of China's position.

"Reds Unmasked Themselves"

Chiang declared that the main Communist forces "must be annihilated within one year." He said the Reds had unmasked themselves by exposing the real aim of carving Chinese territory into pieces to bring the country down to ruin."

In Peiping yesterday, Soviet Consul General Sergei Tichvinsky denied a Chinese general's accusation that Russia is supplying light arms, communications equipment and advice to Chinese troops. Tichvinsky said his Government recognizes "only one government in China—the National Government."

Speaks With Bitterness

Chiang spoke with a bitterness that is increasingly noticeable whenever he discusses the Communist "rebellion."

"In their attempts to realize their aims, they have shown not the slightest hesitation at striking at the very roots of our national life," said the Generalissimo. "In upsetting the social and economic foundations . . . the Reds want to see widespread poverty and death

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in China instead of peace and security."

"In the northeast, although the Communists have launched a number of offensives, I am confident that Government troops will distinguish themselves and, with ever greater loyalty and bravery, win the final triumph."

The Government's schedule against the Communists, Chiang went on, "is first to crush the organized main forces and then proceed to weed out roving bands of rebels in various places."

"Although we cannot expect immediate results in the military operations, the main forces of the Communist rebels must be annihilated within one year. Afterwards, it may take two years to clean up the remnants."

Chiang asserted that the Communists were responsible for China' critical economic difficulties, and urged "severe public censure and sanctions" against business interests indirectly co-operating with the Reds through failure to observe Government economic measures.

He added that full support of the nation's general mobilization order is the only means of assuring the continued existence of China as "a free and independent nation."

Sjahrir Plans China Tour

SINGAPORE, Dec. 31 (AP).—An aid said today that Sutan Sjahrir, former Premier of the Indonesian Republic and now the Republic's good-will ambassador abroad, "definitely plans" a good-will tour of China but still is undecided when to make the trip.

M'Arthur Denies Leading Japan To Socialism

Tokyo, Dec. 31 (AP)—General MacArthur, in a New Year's statement today defended his economic policies in Japan against American critics who had charged they led toward socialism.

Allied economic policy, he declared, "has required the breaking up" of a Japanese system under which "a minority of feudal families" owned and controlled most of Japan's commerce, industry and natural resources. This feudal system, he said, "was, indeed, so complete a monopoly as to be in effect a form of socialism in private hands."

DAY

His First Public Answer

The statement was his first public answer to charges in the United States that his policies were leading toward socialization of Japan. Senatorial demands for an investigation of occupation policy had been heard in Washington in the wake of the blasts of the critics.

Only through dissolution of Japan's feudal economic system, the statement insisted, "could the way be cleared for the emergence of an economy conducive to the well-being of the people—an economy embodying the principle of private capitalism based upon free competitive enterprise—an economy which long experinece has demonstrated alone provides maximum incentive to development of those fundamental requirements to human progress—individual initiative and individual energy."

Notes "Encouraging Progress"

There has been criticism in Japan, as well as in America, of Allied economic measures, including the recently passed law to decentralize industries in which economic power was excessively concentrated.

MacArthur's statement reminded the Japanese people they are responsible for the success or failure of their country's political and economic rebuildling.

MacArthur noted "encouraging progress" toward political reform, and said the Government "has ceased to be totalitarian and has become representative. . . .

"This Is Liberty"

"Every Japanese citizen can now for the first time do what he wants and go where he wants and say what he wants, within the liberal laws of his land. . . . This it liberty.

"Yet inherent in it are its obligations to act with decorum and self-restraint, and become acutely conscious of responsibilities which a free society imposes upon its every segment."

Premier Asks Japs For 'Greater Austerity'

Tokyo, Dec. 31 (AP)—Prime Minister Tetsu Katayama predicted today it would take 50 years to rebuild Japan and called upon the people for greater austerity and "a complete recognition of defeat."

Katayama, in a statement prepared for a nation-wide broadcast New Year's Day, warned that foreign aid would come only after the Japanese themselves had made a maxium effort for national rehabilitation. The statement was released to the press eight hours ahead of delivery.

Katayama also made an appeal for political support, declaring only his Social Democratic party was capable of fighting communism.

The Prime Minister called upon the people to make greater sacrifices in realizing the "historic revolution" of democracy, which "cannot be accomplished easily."

5-Day Festival Begun in Japan

TOKYO, Jan. 1 (Thursday) (AP).—Most of Japan began a five-day vacation today in a traditional celebration of the New Year.

Emperor Hirohito, in a centuries-old ceremony, was to arise at dawn and pay homage to his Imperial ancestors.

In the five days, the Japanese will observe their ancient customs of shrine worship and paying their debts. There also is the modern custom of going to movies during the holidays.

Work will resume slowly the next five days but the nation won't be back on regular schedule until Jan. 7.

Lindbergh In Japan

Tokyo, Dec. 31 (AP)—Col. Charles A. Lindbergh arrived today for a visit in Japan which will include luncheon Friday with General and Mrs. Douglas MacArthur.

Dutch Premier to Leave Java

BATAVIA, Java, Dec. 31 (AP).—Dutch Premier Louis J. M. Beel and two of his ministers will leave for Holland Jan. 4 after more than two weeks of conferences on future Netherlands policy in the East Indies. J. A. Jonkman, Minister of Overseas Territories, and William Drees, Minister of Social Affairs, will accompany him. L. Neher, Reconstruction Minister, will remain in Batavia.

DEC 1947

Roxas Hails Philippines' 47 Gain

MANILA, Dec. 31 (AP).—President Manuel Roxas said today the Philippines have made such progress during the last twelve months "that we have every reason to be happy and proud of the success our people attained."

Argentine Acquitted Of Axis Agent Charge

Buenos Aires, Dec. 31 (AP)—A Federal Court today acquitted Osmar Hellmuth, former member of the Argentine consular service, of a charge that his wartime actions "endangered the good relations of the republic with friendly powers."

Hellmuth was discharged from the consular service after he was arrested by the British navy aboard a ship off Trinidad in 1944 on suspicion of being an Axis agent.

Details of the trial were not disclosed.

Truman Sees Prospect of Peace On Which All World Can Agree

Declares Confidence in Proper Working of U. N.—Issues New Year's Message Day Ahead of Time.

DEC 1947

Washington, Dec. 31 (A. P.).—President Truman said today that he is looking forward confidently to world peace upon which all nations can agree.

DAY

In a New Year's message, the President said that this hope included proper development of the United Nations, which he said offers hope to the world.

He added that he had every faith in the work of the United Nations and that neither the United States nor any other nation could afford to abandon its task for a workable world peace.

With his daughter Margaret, his sister, Miss Mary Jane Truman of Grandview, Mo., and members of his wife's family present, Mr. Truman addressed a large New Year's Eve gathering of reporters. With a smile, he said he thought it better to have his news conference on the day before New Years.

[The White House conferences usually fall on Thursday, alternating between 10:30 A. M. and 4 P. M.]

Calls '47 a Good Year.

Then, more seriously, the President spoke of the outlook for peace and later authorized direct quotation of his remarks. They follow:

"I want to wish all of you a happy and prosperous 1948, and to say to you that I think 1947 has been a good year—not as good as we would like to have had it, none of them ever are—and that I am still confidently looking forward to a world peace on which all the nations can agree, and the proper implementation of the United Nations.

"I always think of the Constitution of the United States and the difficulties that took place in the colonies between 1781 and 1789. If you carefully look over that situation you will find that they had tremendous difficulties in those days, almost exactly the same difficulties with which we are faced now both in Europe and here. It took just about eighty years, really, to get the Constitution properly implemented. In fact, it was not the Constitution of the United States until 1865.

"So I don't think we ought to be discouraged at things that sometimes get in our way in making this tremendous peace organization work. I did not intend to make you a speech, but I am very much interested in peace, and I have every faith in the final working of the United Nations as a means of general world peace, for the simple reason that we can't afford anything else. It is to our selfish interest and to the selfish interests of every country in the world that we do have a workable world peace."

TRUMAN HAILS G. E. DECISION TO CUT PRICES

Hopes Others Will Follow Lead as a Bulwark Against Inflation.

SENDS TELEGRAM TO WILSON

3 to 10 P. C. Slash in Household Items in Effect Tomorrow—To Save Public 50 Millions.

Washington, Dec. 31 (A. P.).—The General Electric Company's decision to cut prices 3 to 10 per cent on many products was described today as "extremely heartening" by President Truman. He expressed hope that other firms would do the same.

Mr. Truman made public at a news conference a telegram to Charles E. Wilson, G. E. head, citing the company's action and saying that if others did likewise the move would form a "real bulwark against rising prices."

The company announced that it would cut prices, beginning tomorrow, in an effort to reverse the inflationary spiral.

Secretary of Treasury Snyder previously had hailed G. E.'s action as a "constructive step" and

Secretary of Commerce Harriman added his praise today.

'In Public Interest.'

"The step is in the public interest at this time and I hope it will encourage other farseeing business men to follow a similar course," Harriman said in a statement.

The text of Mr. Truman's telegram to Wilson follows:

"Your company's announcement of a price reduction for consumer goods is extremely heartening in the nation's fight against inflation. Should other industries follow your example, a real bulwark will be built against inflation."

Edwin G. Nourse of the President's Council of Economic Advisers described G. E.'s action as "very timely and very courageous."

"This bears out the optimistic outlook on the new year that Mr. Wilson and other leading businessmen have been expressing," Nourse told reporters. Asked whether he shared the optimism, Nourse said he preferred to "let it stand on Mr. Wilson's judgment."

Businessmen previously have been unwilling to make price reductions without waiting to see what wage demands will be made on them, "but General Electric has taken the striking and courageous step of telling labor, 'We will give you our commitment on prices in advance; now we ask your co-operation.' It is a statesmanlike approach," Nourse said.

Price reductions announced by General Electric are a direct attack on the nation's inflationary spiral, the firm said. The reductions will affect such items as refrigerators, electric ranges, radio and television receivers, as well as many smaller household appliances.

Wilson, in announcing the price drop here said: "It may be presumptuous on our part but we hope General Electric may have some influence on prices." When reminded of the failure of the Newburyport plan and the fact that the Ford Motor Company had been forced to raise its prices after a short-lived price reduction Wilson declared: "Maybe this is the time for it."

"We have picked out purposely those items which affect the cost of living, where the reductions will be immediately felt by the public," Wilson said.

Based on Hope.

He said that the action was "based on hope" and "continued large volume," adding that the reductions are expected to save consumers $50,000,000 in 1948. The average reduction amounts to slightly more than 5 per cent, Wilson said, and applies to about 40 per cent of the company's total output. He explained that retailers will be protected on present inventories in order to make the new prices effective without loss. He emphasized that the price cuts have been applied to products in large demand and in which distributors' stocks are low.

Among the many products also included in the reductions are oil and gas furnaces, air-conditioning units, water coolers, vacuum cleaners, electric irons, automatic dishwashers, electric clocks, mixers, coffee makers, waffle irons, thermostats and appliance controls.

In Detroit a Ford Motor Company spokesman said, "We tried cutting prices last January, and we lost." Representatives of General Motors and the Chrysler Corporation agreed that higher costs of basic materials would prevent any immediate lowering in the prices of cars or trucks.

Truman Greets Panyushkin

President Welcomes New Soviet Envoy With Call for Good Will.

Washington, Dec. 31 (A. P.).—President Truman told Russia's new Ambassador today that a "mutual spirit of good will and confidence" is needed to solve post-war

The American people, he said, "aspire to live at peace with other nations in a stable and prospering world and will respond promptly to the people of any nation who make clear that they have the same goals."

Formal Exchange.

The new envoy, Alexander S. Panyushkin, called at the White House and presented his formal letters of credence. The ceremony was private, but the State Department made public the remarks exchanged.

They were formal in tone and substantially briefer than the statements exchanged when the envoy's predecessor, N. V. Novikov, presented his credentials eighteen months ago. Panyushkin said that he considered his most important task to be "to further in every possible way the strengthening of the political, economic and cultural relations between the Soviet Union and the United States."

Cultural Relations.

Mr. Truman said in reply that the United States Government shared the envoy's view of the importance of relations between this country and Russia, "in the present unsettled state of the world." The President added:

"I wish to assure Your Excellency that this Government reciprocates your desire to strengthen the political, economic, and cultural relations between the United States of America and the Union of Soviet Socialist Republics. In the fulfillment of your task, you may count upon the full support and assistance of the Government of the United States of America."

Panyushkin, former Russian Ambassador to China, arrived on December 15. He was named envoy to the United States following Novikov's recall in July because of ill health. An interpreter accompanied the new Ambassador to the White House.

No Comment to Make.

After the visit with Mr. Truman, Panyushkin spoke with reporters through the interpreter. A reporter asked if the Ambassador thought Premier Stalin might visit the United States; the interpreter said that Panyushkin had no comment to make.

The reporter noticed that the Ambassador appeared to catch some of their questions directly. One remarked that he seemed to have a good knowledge of the English language.

"Unfortunately, no," Panyushkin replied in English.

World Bank To Send Mission To Philippines

Washington, Dec. 31 (AP)—The 46-nation World Bank announced today it will send a two-man fact finding mission to the Philippines immediately to study economic and financial conditions there.

The mission, consisting of Eric A. Beecroft of the loan department and J. Thomsen Lund, of the research department, will leave here tomorrow and arrive in the Philippines January 9. They are to make a "general survey of Philippine agriculture, industry, transport facilities and financial structure," the bank said.

The bank emphasized that the Philippine Government has not applied to it for a loan. It said dispatch of the mission "is in accord with the bank's policy of keeping itself informed at first-hand of economic and financial developments in member countries and of establishing close contact with officials of member countries concerned with economic and financial affairs."

REPORT ON XS-1 RAISES ISSUE OF SECURITY

Air Force Asks Ruling On Violation In Magazine Article

Washington, Dec. 31 (AP)—The Air Force disclosed today it has called the Justice Department's attention to publication of certain data on the XS-1 rocket plane and asked it to determine whether national security was violated.

An Air Force spokesman said that "the publication of recent XS-1 data in *Aviation Week* (a magazine) has been referred to the Department of Justice for consideration. . . ."

An article in the latest edition of *Aviation Week* reported that the rocket plane had flown faster than the speed of sound. (Sonic speed varies from approximately 600 to 900 miles an hour, depending on altitude and temperature of the air.)

Conference Canceled

The Air Force declined, at the time, to discuss the magazine story.

However, a news conference scheduled for Friday morning by W. Stuart Symington, Secretary of Air, later was canceled and it was announced:

"The Secretary had proposed to discuss security matters in connection with the XS-1. These matters have been taken up under study by the Department of Justice which has requested the postponement of the proposed discussion."

No comment was available immediately from the Department of Justice, nor could Robert H. Wood, editor of the magazine, be reached tonight.

Cleared By FBI Aide

However, Robert Hotz, news editor of *Aviation Week*, said that a representative of the FBI had been shown proofs of the article before its publication.

Hotz added that the matter was a continuation of a long standing disagreement over aviation security policy.

"*Aviation Week* takes the stand that the Air Force should adopt a uniform and realistic security policy," he said.

At the time of publication, Wood said he had withheld the story for several weeks at the request of Air Force officials, but decided to release it when the magazine learned that the Air Force was preparing to issue a statement that the plane had exceeded the speed of sound.

An Air Force spokesman declared then that the Air Force was not preparing such a release.

to hear further from Harold E. Stassen. The former Minnesota governor and an active candidate for the Republican presidential nomination has charged publicly that some Administration officials have used inside information on Government buying to guide big deals in commodities.

Has Promised Information

Stassen has agreed to give the committee the information on which he based his assertion.

A list of 3,131 persons active in wheat futures last February 28 which the Agriculture Department made public last night turned up at least two Government officials, both connected with the State Department.

Soon after it appeared the brokerage firm of Merrill Lynch, Pierce, Fenner & Bean said that the George A. Garrett included among the traders is the present United States Minister to Eire. The firm said he had arranged to close out his market transaction before becoming Minister on April 6.

$330 Loss Reported

The list showed Garrett had sold 10,000 bushels of wheat short as of February 28. The brokerage firm said he made an offsetting purchase on June 13 at a price 3 cents a bushel higher than his futures sale, thus suffering a $330 loss.

Later Paul F. McGuire, a State Department official, told a reporter he was correctly listed as being "short" 10,000 bushels of wheat.

McGuire is associate chief of the division of financial affairs, which deals with foreign exchange rates.

"I have traded in securities and commodities at times for the last 15 years," McGuire said, "but never when I was in possession of any information not available to the general public which might affect prices."

Andresen-Anderson Feud Over

Meanwhile, a hot controversy which erupted Sunday between Andresen and Secretary of Agriculture Anderson appeared to have been cooled off.

The arugment developed after Andresen asked by letter for the results of a purported investigation last fall involving "around 200

Trading Probe To Meet; More Names Are Issued

Washington, Dec. 31 (AP)—Chairman August H. Andresen (R., Minn.) called a House investigating committee together today to start work on a pile of official and unofficial information in search of Government "insiders" speculating in food.

Already on hand were the names of 5,181 persons reported by the Agriculture Department as active in the commodity markets at various times since April 30, 1946, as well as a number of private tips which Andresen termed "valuable."

The committee also was waiting

30.24- 14571

Federal Government employés" in Chicago, and Anderson replied that he knew of no such incident.

He called on Andresen to "put up or shut up."

Andresen declined to say what, if anything, has passed between them since, but said in an interview:

"The Secretary of Agriculture and his staff are co-operating in every posible way with our committee so we can secure authentic information. There is no evidence that this co-operation is not wholehearted and will proceed according to the original plan."

Andresen also refused to say where he got his information on the alleged "speculative pool" of Government employés in Chicago.

Democrats' Tax Plan Is News To Truman

Washington, Dec. 32 (AP)—President Truman today professed ignorance of a move by Democratic congressmen to propose a $3,500,000,000 tax cut in 1948 to counter Republican demands for a still bigger slash.

Once again declining any direct commitment on tax reduction, Mr. Truman told a news conference he would withhold any announcement of his attitude until he submits his state-of-the-union message to Congress on January 7.

Dingell Proposes Meeting

Representative Dingell (D., Mich.), another committee member, also proposed a meeting of Democratic congressional leaders to consider a tax program.

Asked for comment, Mr. Truman said he didn't know anything about it.

He added that he would let reporters know later whether he will deliver his state-of-the-Union message in person.

The message, he said, will be followed on January 9 by his economic report, and on January 12 by his budget message.

Meantime, Government analysts said that increased Government spending and lower revenues during the next fiscal year may mean a drop in the budget surplus to $2,500,000,000, as compared to an expected $6,000,000,000 this year.

The result would be far less leeway for reducing the public debt and cutting income taxes than has existed during the current fiscal year ending June 30.

Analysts' Explanation

The analysts who made the forecast explained it this way:

1. The Administration hopes to reduce domestic spending, but its plans for foreign aid would run the total Government outlay to around $39,500,000,000 for the 1949 fiscal year compared with $37,000,000,000 to $37,500,000,000 this year.

2. Meanwhile, even without a cut in taxes, revenues would drop from well over $43,000,000,000 this fiscal year to perhaps as low as $42,000,000,000 next year as declines in incomes from such sources as surplus-property sales offset possibly higher tax receipts.

Could Be Changed

These figures, which reflect the situation confronting President Truman as he prepares his budget for submission to Congress in mid-January, could be altered sharply by Congress.

Republicans are expected to attempt to widen the surplus margin by cutting down the $39,500,000,000 spending total to leave room for both a tax cut and reduction of the $257,000,000,000 Federal debt.

How effective congressional budget-paring will be is another question. The amount of such cuts last year is still disputed between the GOP and the Administration. But the official spending estimate went down only $500,000,000 after Congress had finished its work last summer.

The Administration's final estimate on revenue will have to rest on its opinion of whether business and employment will remain at high levels for the next eighteen months and whether prices will go up or down.

An estimate providing a $3,000,000,000 surplus for fiscal 1949 would leave a margin big enough to absorb some currently proposed forms of tax relief. For example:

1. Extension of the twelve-state community property system of income splitting to married couples in all 48 states. This would cost under $750,000,000 in Government revenue.

2. An increase in personal income-tax exemptions to $600 from the present $500. This would cost about $2,000,000,000.

Both these forms of tax reduction have been proposed in a bill by Representative Knutson (R., Minn.) along with other cuts which would mean a total revenue loss of $5,600,000,000.

Snyder's Position

Secretary of the Treasury Snyder has spoken favorably of extending the community property system as a matter of "equity," but has insisted that money be assured for debt reduction before taxes are reduced.

Nevertheless, his recent statements on the Administration's tax position have shown greater willingness to grant relief in the form of "revision" than when President Truman turned back two 1947 Republican tax-cutting bills with vetoes.

R. F. C. Loss in War Was $8,632,714,519

Some of Defense Outlay To Be Recouped by W.A.A.

WASHINGTON, Dec. 31 (AP).—The Reconstruction Finance Corporation reported to the President and Congress today that it will show a loss of $8,632,714,519 on its $9,313,736,531 outlay for defense and war programs.

Not all of the $8,632,714,519 will be a total loss to the government, R. F. C. said, explaining that some will be recouped through War Assets Administration sales of property declared surplus by R. F. C. However, the sales returns will not be credited to the agency.

The agency said the remaining $681,022,012 that it spent would be recovered, but the $8,632,714,519 ought to be written off to clear its books.

The R. F. C. reported as offsets against its losses on defense and war spending that it made net profits of $551,901,483 on its "regular" operations, mostly loans to business through more than fifteen years of operation, and $209,827,810 on its war damage insurance program.

Aside from surplus sales, R. F. C. said some of the war plants and equipment it acquired during the war have gone or will go to the Army and Navy for operations "essential in the national interest."

Counted as completely lost, however, was $3,089,434,043 spent on subsidies on livestock, flour, butter, oil, copper, lead, zinc and other items.

Outlays for property, plant and equipment for war purposes totaled $4,855,748,781 and another $266,743,502 was spent on production or procurement of strategic materials and supplies.

Gen. Cates Sworn In As Marine Corps Head

Washington, Dec. 31 (AP)—Gen. Clifton B. Cates, Tiptonville, Tenn., was sworn in today as commandant of the United States Marine Corps. The ceremony was in the office of John L. Sullivan, Secretary of the Navy.

Cates relieved Gen. A. A. Vandergrift, 60-year-old Marine Corps veteran, who now plans to become a "country squire" in Lynchburg, Va., he said.

Vandergrift was presented a Gold Star in lieu of a second Distinguished Service Medal for his "inspiring leadership" as commandant and for his 40 years' service with the Leathernecks.

Many Reserve Officers Of Army Return To Duty

Washington, Dec. 31 (AP)—The Army said today that the number of reserve officers returning for extended active duty is averaging about 450 a month, a total which does not balance the number leaving the service.

All of them are volunteers and are not summoned to duty, it was explained. The Air Force reported recently that applications of about 2,700 reserve officers for return to active duty were accepted during the last year.

Gray Sworn as V. A. Head, Appoints Hawley His Aid

WASHINGTON, Dec. 31 (AP).—Carl R. Gray Jr., railroad executive, was sworn in today as administrator of veterans affairs. His first official act was to appoint Dr. Paul R. Hawley, retiring Veterans Administration medical director, as his special assistant.

Mr. Gray resigned as vice-president of the Chicago and North Western Railway to take the V. A. post. He was sworn in by Justice Stanley Reed of the Supreme Court before a gathering which included Mrs. Gray, representatives of various veterans organizations and some members of Congress.

He told a news conference afterward that one of his first jobs would be a survey of V. A. insurance programs. He expects the aid of an outside insurance executive.

Mr. Gray succeeds General Omar Bradley, who is slated to become chief of staff of the Army.

WAA AIDS NAVAJOS

Washington, Dec. 31 (A. P.).—The War Assets Administration acted today to speed the flow of surplus food, clothing and equipment to Navajo Indians in the southwest.

Jess Larson, War Assets Administrator, asked the Department of the Interior to work directly with the agency's zone administrators in Kansas City, Dallar and San Francisco to channel surplus war goods as quickly as possible to the aid of Indian families.

He announced that to date the agency has turned over more than $125,000 worth of surplus food to sixteen needy Indian tribes, most of it to the Navajos. Included were 60,000 pounds of rice, 72,000 cans of spinach, 36,000 cans of tomato juice, 33,000 cans of peaches, 17,000 cans of beets and other large quantities of canned goods. In addition, he said, about seventeen tons of miscellaneous foods, including potatoes, sugar, flour, coffee, rice and canned goods received by the agency from fifteen decommissioned ships of the Maritime Commission are being distributed to the Navajos and Cherokees.

Private Spending On Housing Sets Record In 1947

Washington, Dec. 31 (AP)—Private spending on home construction reached a record $4,939,000,000 this year, the Commerce Department estimated today, but said the record was due in part to increased prices. The spending figure is a rise of 55 per cent over 1946.

The number of new dwelling units started this year was over 860,000, beating last year's 671,000 units but falling far under the 937,000-unit record of 1925. It was in 1925 that the previous spending record of $4,592,000,000 was set, but costs were lower then.

The department said it expects new records—both in dollars and in new home starts—to be set in 1948. It forecast that $6,000,000,000 will be spent on private housing and 950,000 units started.

Set Dollar Record

Expenditure on new construction of all kinds, with private housing the biggest single item, set a dollar record of $12,878,000,000 in 1947 but fell under the physical volume of less-costly 1941, when $10,000,000,000 was spent.

Its estimate of expenditures on new construction during 1948 is $15,200,000,000, or 18 per cent above this year.

While 1947 private home building expenditures were increasing 55 per cent, private nonresidential building dropped off 5 per cent from last year to a total of $3,181,000,000, the department said.

Public Construction

Public construction scored a 40 per cent gain—compared with a 28 per cent gain in private construction—during 1947, with this year's spending total $3,000,000,000.

About $175,000,000 was spent on public residential building or 55 per cent less than last year, while public nonresidential building expenditures increased 62 per cent with a 1947 outlay of $517,000,000.

Public highway construction alone rose 72 per cent and the 1947 total was $1,214,000,000.

There was a 59 per cent increase in spending for new conservation and development construction this year. The total was $381,000,000.

Big 4 Disappoint World, Lie Says

Lake Success, N.Y., Dec. 31 (AP)—Trygve Lie, secretary general of the United Nations, said tonight that during the past year the world had been "disappointed in the greatest hope of all—the hope that the great powers would be able to move, definitely and progressively, toward an understanding on the questions which divided them."

"This lack of understanding," he said in a New Year's Eve broadcast, "has prevented us from achieving all that we should have achieved in relieving the plight of tens of millions of suffering human beings."

Described As Mighty Barrier

Lie described the United Nations as "a mighty barrier to war and the hope of all mankind for a better world," and urged all peoples to believe in, work for and defend the United Nations during the year to come.

"We must stand behind the United Nations and increase its strength," he said. "We must believe in it and we must make sure that other people believe in it."

"Its prestige must be so great in the minds of all people that it will be able to defend and to practice the principles for which it stands."

Must Hope For Accord

Lie said the world "must continue to hope for a change in the tide of disagreement between the powers" during 1948, adding, "We must never give up hope for an agreement and we must never stop working for it."

Lie said that during 1947 the United Nations had reached agreement "on many matters which affect the well-being of the world."

Deportation Case Pledge Given U.N.

New York, Dec. 31 (AP)—Warren R. Austin, chief United States delegate to the United Nations, said today no further action will be taken in deportation proceedings against two United Nations press representatives without consultation with Trygve Lie, United Nations Secretary General.

Austin said the two men, Nicholas Kyriazidis, correspondent for Greek newspapers, and Syed S. Hasan, representing an Indian newspaper, have been released from custody. He added that Hasan "plans to leave the country." No indication was given of disposition of Kyriazidis's case.

Deportation proceedings were based on charges that the two men are members of an organization advocating overthrow of the United States Govefnment by force.

Marshall 'Man Of The Year'

New York, Dec. 31 (AP)—Secretary of State George C. Marshall today was named "man of the year" by *Time*, the weekly newsmagazine, which called him the "man who had the biggest rise in fame during the year, and who, more than anyone else, changed the news for better or worse."

Time —which annually selects a "man of the year" for its cover on the first issue of each new year—said that in 1947 the American people "took upon their shoulders the leadership of the world. . . . No one man was responsible for 1947's great step. . . . But one man symbolized the United States action. He was Secretary of State George Marshall."

DEC 1947

Peak Business Reported in '47 For N. Y. State

Keller Predicts Continued Prosperity but Warns of Inflation Perils in 1948

ALBANY, Dec. 31 (AP).—State Commerce Commissioner Harold Keller said today business activity reached a peace-time high in New York this year and "we can look forward with considerable confidence to continued prosperity" in 1948.

Mr. Keller said, however, that "conditions of a definitely inflationary nature" also had developed from factors contributing to "the high level of business." He warned:

"It is always possible that the distress of one or a few industries may spread and precipitate a general recession. Price increases during 1947 did not have this result but the possibility that they may in 1948 is the one dark cloud on an otherwise clear horizon."

Mr. Keller said the Commerce Department would strive to "broaden the base of the state's economy to increase its stability and to withstand the possible shocks inherent in any sudden break in the general prosperity."

Mr. Keller said there were 540,000 business firms operating in the state, an increase of 60,000 over the pre-war total and 140,000 more than the war-time low.

He said his "optimistic outlook" for 1948 was based on high consumer incomes, peak employment conditions, "a still unsatisfied demand for durable goods," anticipated foreign buying "only slightly lower" than this year's and the "sound fiscal position of the state government." Labor's "splendid stay-on-the-job record" and the "diversity of the state's business units, large and small" also are factors, he added.

"During the last year," Mr. Keller said in a statement, "business activity in New York has been at the highest peace-time level that state has ever known.

"The upward trend evident throughout 1946 continued during 1947. Missing, however, were the spectacular gains recorded in 1946 as business recovered from the post-war lows which accompanied some aspects of reconversion. Gains made in 1947 were more modest, more in line with the long run growth of our economy."

"The recession which was widely heralded by some as coming in 1947 did not materialize," he added, "and the general business outlook is now just as favorable as it was a year ago."

Distilleries Closing During Rationing

Louisville, Ky., Dec. 31 (AP)—The Government order rationing grain to whisky makers has brought announcements that four Kentucky distilleries will halt production during the one-month ration period.

Schenley Distilleris said mashing operations will be discontinued at its plants in Limestone, Bardstown and Lebanon. Brown-Forman announced it will close its Woodford county plant near Versailles. This firm also said two Pennsylvania plants will close.

Limited Schedule

Spokesmen for Schenley and Brown-Forman said their distilleries in Louisville will remain open on a limited-output schedule. Most other Louisville distilleries indicated they also will follow this course.

President Walter L. Borgerding of General Distillers Corporation said it will be compelled to reduce distilling to about fifteen days next month.

The order limits grain used by distillers to 2,450,000 bushels between last midnight and January 31.

1947

GENERAL SUED FOR $225,000

Emmons Jailed Him Without Charge, Hawaii Doctor Says

Huntington, W.Va., Dec. 31 (AP)—A Honolulu physician who contended he was imprisoned by the Army without charge for more than a year at the start of the war filed suit for $225,000 in Federal District Court here today against Lieut. Gen. Delos C. Emmons.

General Emmons, whose home is in Huntington, succeeded Lieut. Gen. Walter C. Short as commanding general of the Hawaiian Department in January, 1942, just after Pearl Harbor, and served in that capacity until April, 1943.

Reported Held Incommunicado

The suit was filed on behalf of Hans Zimmerman, of Honolulu, identified in the papers as a licensed physician practicing naturotherapy, and as an honorably discharged veteran of the Army.

He contended he was arrested in January, 1942, in Honolulu and later held at army posts at San Francisco and Camp McCoy, Wis., until he was returned to Honolulu in March, 1943, and released. He said he was held incommunicado during that time.

Charging his constitutional rights were violated, he said no charge was placed against him; he never was advised of the nature of the complaint against him, and he had no chance to present witnesses, retain counsel or obtain a full hearing.

Taft Blames High Prices On Aid To Europe

DEC 1947

St. Louis, Dec. 31 (AP)—Senator Robert A. Taft says that passage of the Marshall plan in its proposed form would "necessarily mean higher prices" here at home and would not do as much to prevent communism abroad "as careful dispensation of aid to meet special problems."

The Ohio candidate for Republican presidential nomination, speaking before the John Marshall Club last night, expressed belief "we tend to overestimate the importance of American dollars on foreign nations."

Weighs Effect On Economy

"Desirable as may be the obectives of the Marshall plan, certainly we must consider its effect on our own economy and welfare before we accept it in the magnitude suggested," he said. "No nation has ever been as generous as the United States. Now it is proposed that we step up our European gifts and loans from approximately $5,000,000,000 to $8,000,000,000.

"As far as I can discover much less than half of the sum asked is for relief or food or fuel. Most of it is to help build up European industry, a kind of five-year plan like Stalin's, like European TVA. . . .

Says Exports Hike Prices

"If the Administration insists upon the Marshall plan in its present form, it can never blame anyone else for the steady increase of prices in the United States."

Taft said the most important cause of high prices today is the tremendous surplus of exports in 1947 and the threatened continuation of that surplus next year.

Giving President Truman's council of economic advisers as his source, he said, "our exports of goods and services in 1947 will amount to at least $18,000,000,000, while our imports are $8,000,000,000.

GOP "Didn't Decontrol Prices"

"That means that foreign countries and their citizens have come into this country and bought $10,000,000,000 worth of goods from our limited supplies."

Touching on domestic economy, the Republican Senator declared, "Republicans didn't take off price control."

"Present request for price control and rationing is obviously made for political reasons. If the President thought that Congress would grant him powers which he asks, I don't believe that he would ever have asked for them."

Atomic Research Shifted to Illinois

OAK RIDGE, Tenn., Dec. 31 (AP).—The Atomic Energy Commission announced tonight that the bulk of its research activities would be centralized at Argonne National Laboratory near Chicago and not here as previously planned.

The commission, in a reversal of plans announced last September, said the University of Chicago would direct at Argonne the "expanded program" on uranium chain reactors which heretofore had been planned at both the Clinton National Laboratory at Oak Ridge and Argonne.

Gen. Lee, Retiring, Says He'll Still Be a Soldier

SAN FRANCISCO, Dec. 31 (AP).—Lieutenant General John C. H. Lee retired from the Army today with the assertion "I'll always be a soldier." The sixty-year-old officer ended thirty-eight years of commissioned service in a brief ceremony at the Presidio here.

"I don't think I'm out of the service even now," he said. "I'll always be a soldier. That is what you taxpayers paid for."

General Lee was in charge of supplies in the European theater of operations in the recent war. Later he commanded the Mediterranean theater. Newspaper E terranean theater. Robert Ruark, newspaper columnist, created a recent press furor by accusing General Lee of maladministration there. The Army investigated, however, and said that Mr. Ruark's assertions were groundless.

General and Mrs. Lee plan to depart Saturday by automobile for York, Pa., where he will become general secretary of the Protestant Brotherhood of St. Andrew. He retired from the Army at $550 a month. In addition to his regular retirement pay he was found eligible for a disability pension because of arthritis.

30.24- 14573

Chilean Navy To Get Three U.S. Vessels

San Francisco, Dec. 31 (AP)—Three vessels will be added to the Chilean Navy on Friday as Capt. Wallace R. Dowd, commander of the Mare Island naval shipyard, turns over three ocean-going tugs to the South American nation.

The tugs will leave San Francisco Bay January 10, sailed by 17 officers and 118 enlisted men.

The Chilean frigate Iquique arrived in San Francisco September 25 with the crews. Since then the men have been supervising reconditioning of the tugs and getting training on United States Navy electricians and sonar equipment.

Commodore Raoul Carmona of the Chilean Navy is in charge of the group. The tugs will be commanded by Captains Jose Duarte, Guillermo Kopaitic and Gustavo Cruz.

The tugs are part of the United States Navy surplus.

Eve Fun's Cost Up In Night Clubs

DEC 1947

[By the Associated Press]

Merrymakers who like to greet the new year at a night club table generally will find their run a little more expensive tonight, a survey of the nation's night spots and supper clubs indicated today.

New York's Broadway will toss its customary party for the incoming year but noisy 1948 celebrants will find the dining and wining tariff considerably higher than prices prevailing last year.

$40 Is Tops As Cover Fee

Fancy clubs and hotel supper rooms, featuring horn-tooting, paper hats and table d'hote dinners, generally will charge about $30 to $35 a couple, but the drinks will be extra. The Manhattan price scale, from all indications, will be topped by the Hotel Plaza's swank Persian room where a $40-a-couple levy will hold sway.

Carl Erbe, spokesman for the Allied Entertainment Industry, a New York cafe organization, estimated that 1,000,000 persons will down at least five drings each as they go about the business of welcoming the New Year.

D.C. Expects Big Crowds

Capacity crowds are predicted in Washington D.C., where prices—unchanged or slightly higher—range from 50-cents drinks with no cover charge to $12.60 cover per person. The average cover will be $5.50 or $6.

In Chicago, night-club merrymakers will pay up to $20 per person for dinner and entertainment, will drink more imported liquor than lately and will find extra police on hand to guard them.

The $20 top is in contrast with the $100 charged last year by the Cameo. The club said its reduced price of $20 includes a pheasant dinner and caviar and other taste treats, but does not cover the drinks and breakfast included in last year's fee.

Prices Up In Hollywood

Hollywood prices range somewhat higher than last year. The Cocoanut Grove's "package" deal, up only from $25 to $26, will include all the predinner cocktails desired, dinner with wines, cordials after dinner, and breakfast (if in the mood), along with dancing and entertainment.

Ciro's is up from $15 to $20 per head for dinner and entertainment, with drinks extra. The Mocambo Club will give substantially the same for $15, at no increase. Drinks probably will average a little higher than last year.

Miami Set For Gay Time

Reports from another glamor town—Miami—tell of New Year's Eve fun costing all the way from nothing to a small fortune. Many will watch the Orange Bowl parade, then go home, spending only bus fare. Many others will spend a gay but free evening at private parties at lush estates.

In Boston, $10 will get you dinner, dancing, entertainment and noise makers in most of the public places, but the drinks will be extra.

San Francisco plans police street blocks to halt drunken drivers. Hotels and night spots in that waterfront city are offering accommodations at around $12.50 per head—and buy your own drinks.

LONDON, THURSDAY, JAN.1-(AP)-THE MOSCOW RADIO SAID TODAY A SOVIET-SWEDISH TRADE AGREEMENT WAS SIGNED YESTERDAY IN MOSCOW AND THAT UNDER ITS TERMS SWEDEN WOULD DELIVER TO RUSSIA AN UNSPECIFIED QUANTITY OF HIGH-GRADE STEEL, STEEL PRODUCTS AND BALL AND ROLLER BEARINGS.

THE AGREEMENT PROVIDED ALSO THAT THE SOVIET UNION WOULD SEND SWEDEN GRAIN, MANAGANESE AND CHROMIUM ORES, ASBESTOS AND OTHER GOODS.

THE BROADCAST DID NOT SPECIFY THE VALUE OF THE GOODS TO BE EXCHANGED.

MD921PES

LONDON, DEC.31-(AP)-BRITAIN WILL MAINTAIN THE PRICES FIXED FOR EMPIRE TIN, IN THE FACE OF STRONG REPRESENTATIONS BY MALAYAN PRODUCERS THAT THE INCREASED LEVELS ANNOUNCED A FORTNIGHT AGO STILL WERE "TOO LOW," AN INFORMED WHITEHALL (GOVERNMENT) SOURCE REPORTED TONIGHT.

HE ADDED THE FIXING OF THE BOLIVIAN TIN ORE BUYING PRICE LEVEL--ANNOUNCED IN WASHINGTON BY THE RECONSTRUCTION FINANCE CORPORATION--AT £4 ($16) MORE THAN THE EMPIRE FIGURE OF £500 ($2,000) A LONG TON WOULD NOT CHANGE THE BRITISH POSITION. THE LONG TON IS 2,240 POUNDS.

THE RFC ANNOUNCED IT HAS AGREED TO BUY BOLIVIAN TIN ORE AND CONCENTRATES DURING 1948 AND 1949 AT 90 CENTS A POUND WEIGHT OR £504 ($2,016) A LONG TON.

THE BRITISH MOVE IN FIXING THE EMPIRE PRICES BEFORE A NEW BOLIVIAN TIN LEVEL HAD BEEN SET WAS "NO ACCIDENT," THE INFORMANT WENT ON.

THE PRICE OF BOLIVIAN TIN IN THE PAST DETERMINED THE WORLD LEVEL, HE SAID. NOW IT LOOKED AS THOUGH THE PRICE PAID TO EMPIRE PRODUCERS WAS DOING SO.

LS430PES NM

DEC 1947

LONDON, THURSDAY, JAN 1-(AP)-THE BRITISH TAXPAYER BECAME THE OWNER TODAY OF BRITAIN'S ENTIRE TRANSPORTATION SYSTEM.

THE GOVERNMENT TOOK OVER AS PART OF ITS NATIONALIZATION PROGRAM 52,000 MILES OF TRACK, 20,499 LOCOMOTIVES, 40,000 PASSENGER COACHES AND 1,200,000 FREIGHT CARS.

THE BRITISH TRANSPORT COMMISSION, WHICH WILL OPERATE THE SYSTEM FOR THE GOVERNMENT, ALSO TOOK OVER 2,176 MILES OF CANALS AND 70 RAILWAY HOTELS.

THE COST TO THE GOVERNMENT WAS £1,000,000,000 (BILLION) $4,000,000,000). HOLDERS OF RAILWAY STOCK WILL RECEIVE "BRITISH TRANSPORT STOCK."

DY810PES

LONDON, DEC.31-(AP)-THE TREASURY SAID TONIGHT THAT TOTAL ORDINARY REVENUE FOR NINE MONTHS ENDED TONIGHT WAS £2,449,111,431 (BILLION) ($9,796,445,724).

ORDINARY EXPENDITURES WERE £2,164,126,832 ($8,656,507,328), LEAVING A NET SURPLUS OF £244,984,599 ($979,938,396).

ORDINARY REVENUE, THE TREASURY SAID, SHOWED A NET INCREASE OVER THE SAME PERIOD OF LAST YEAR OF £329,412,747 ($1,317,650,988). EXPENDITURES, REFLECTING BRITAIN'S AUSTERITY PROGRAM, SHOWED A DECLINE OF £517,240,850 ($2,068,963,400).

MJ1110PES

DEC 1947

LONDON, THURSDAY, JAN.1-(AP)-THOUSANDS OF NEW YEARS REVELLERS PARADED LONDON'S WEST END, GATHERED AROUND THE PICCADILLY CIRCUS AND AROUND A LARGE CHRISTMAS TREE IN TRAFALGAR SQUARE, DANCING TO THE TUNE OF BARREL ORGANS.

THE GREAT BELLS ST.PAULS CATHEDRAL PEALED OUT A WELCOME TO THE NEW YEAR FOR THE FIRST TIME IN 20 YEARS. POLICE REQUESTED A DISCONTINUANCE OF THE PEALS IN 1927 BECUASE THEY SAID THE CROWDS ATTRACTED TO ST.PAULS HAD BECOME TOO ROWDY. THOUSANDS MILLED AROUND THE CATHEDRAL EARLY TODAY, BUT IT WAS A GOOD NATURED, CHEERING, LAUGHING THRONG.

LONDON'S CHELSEA ARTS BALL WITH ITS THEME OF "ANYTHING GOES" ATTRACTED THOUSANDS OF REVELLERS CLAD AS PIRATES, HULA-GIRLS, GREEK GODS AND SENORITAS. MJ1107PES

PARIS, DEC.31-(AP)-FRANCE WILL PUSH ECONOMIC COOPERATION WITH OTHER EUROPEAN NATIONS DURING 1948 AS A MEANS OF ENSURING WORLD PEACE, PREMIER ROBERT SCHUMAN SAID TODAY.

THE PREMIER TOLD THE ANGO-AMERICAN PRESS ASSOCIATION THAT FRANCE AND ITALY AND THE BENELUX COUNTRIES--BELGIUM, THE NETHERLANDS AND LUXEMBOURG--WERE WORKING TOWARD A CUSTOMS UNION.

HE SAID THE RECENT STRIKES HAD HAMPERED FRANCE'S EFFORTS TOWARD RECOVERY, AND THAT THE STRIKES FAILED "THANKS TO THE GOOD SENSE AND COURAGE OF THE GREAT MAJORITY OF THE WORKERS."

QQ158PES

BERLIN, DEC 31-(AP)-THE U.S. MILITARY GOVERNMENT SAID TODAY AMERICAN AND BRITISH TAXPAYERS SHOULDERED A $508,674,000 (MILLION) BILL THIS YEAR TO IMPORT 4,246,379 METRIC TONS OF FOOD TO THE GERMANS IN THEIR ZONES.

OCCUPATION OFFICIALS HOPE TO COLLECT PAYMENT EVENTUALLY THROUGH EXPORTS OF GERMAN MANUFACTURES.

DY548PES

DEC 1947

FRANKFURT, GERMANY, DEC 31-(AP)-THE ARMY NEWSPAPER STARS AND STRIPES TODAY SELECTED RITA HAYWORTH AS ITS CHOICE FOR "MISS CHEESECAKE OF 1947."

THE NEWSPAPER SAID THAT DURING A VISIT TO GERMANY LAST JULY THE MOTION PICTURE ACTRESS WON THE HEARTS OF THOUSANDS OF SOLDIERS AT MILITARY POSTS, HOSPITALS AND RECREATION CENTERS.

IN HOLLYWOOD, MISS HAYWORTH TONIGHT EXPRESSED HER THANKS TO STARS AND STRIPES AND WISHED "ALL THE GI'S A HAPPY AND PROSPEROUS AND PEACEFUL NEW YEAR.

"I CAN'T TELL YOU HOW MUCH PLEASURE MY VISITS WITH THEM IN EUROPE GAVE TO ME," SHE SAID. "IF THEY ENJOYED MY PRESENCE HALF AS MUCH AS I ENJOYED MEETING THEM, I FEEL DEEPLY GRATIFIED."

FJ824PCS

Berlin, Dec. 31-(AP)-Sen. Barkley (D-Ky) was a personal guest in Berlin today of Gen. Lucius D. Clay, U.S. military governor. Barkley came from the Paris meeting of the interparliamentary union.

Kasischke apr 01150 1505 rm

DEC 1947

ROME, DEC. 31-(AP)-THE COMMUNIST NEWSPAPER L'UNITA PUBLISHED TODAY A WARNING TO THE ITALIAN GOVERNMENT FROM A COMMUNIST LEADER THAT THE PARTY WOULD USE FORCE AND EVEN ARMED REVOLT, IF NECESSARY, TO ACHIEVE ITS ENDS.

THE NEWSPAPER DEVOTED SEVEN COLUMNS TO AN ADDRESS DELIVERED YESTERDAY TO THE ROME PROVINCE COMMUNIST FEDERATION BY LUIGI LONGO, ITALY'S NO.2 COMMUNIST, AND A WARTIME ORGANIZER OF COMMUNIST PARTISANS.

PARTISANS DURING THE WAR PARTICIPATED IN A "GREAT MASS ACTION," LONGO SAID, AND "TODAY, ALSO, IN DIFFERENT SITUATIONS, FOR IMMEDIATE OBJECTIVES, WE CAN RENDER INOPERATIVE ANY REACTIONARY WILL AND INTENTION OF AMERICAN IMPERIALISM AND ITS ITALIAN SLAVES."

"WE CAN IMPOSE THOSE MEASURES, THOSE PROVISIONS THAT THEY DO NOT WANT TO CARRY OUT," HE SAID. "WE NOT ONLY CAN IMPOSE THEM, BUT WE CAN CARRY THEM OUT OURSELVES. WE HAVE THE EXPERIENCE."

THE COMMUNISTS AND SOCIALISTS "THROWN OUT THE DOOR" BY THE CHRISTIAN DEMOCRATIC GOVERNMENT OF PREMIER ALCIDE DE GASPERI LAT MAY, LONGO SAID, W

LAST MAY, LONGO SAID, WILL COME BACK BY THE WINDOW AND OPEN THE DOOR WIDE."

GH/QQ150PES

ROME, DEC.31-(AP)-ROME PUT OUT ITS FLAGS TODAY TO WELCOME THE FRIENDSHIP TRAIN BRINGING FOOD GIVEN BY AMERICANS.

THE TRAIN WILL LEAVE TOMORROW FOR FLORENCE, BOLOGNA, MILAN, UDINE AND GORIZIA.

PREMIER ALCIDE DE GASPERI, FOREIGN MINISTER CARLO SFORZA AND VICE PREMIER GIUSEPPE SARAGAT PARTICIPATED WITH U.S. AMBASSADOR JAMES C.DUNN AND THE REPORTER, DREW PEARSON, SPONSOR OF THE TRAIN, IN WELCOMING IT TO THE SHABBY ROMAN RAILWAY TERMINAL.

THE TRAIN REACHING ROME HAD 30 CARLOADS OF FOOD, MAINLY MILK, GRAIN AND SUGAR. THE CARS BORE LARGE RED, WHITE AND BLUE POSTERS IN ENGLISH AND ITALIAN AND THE FLAGS OF ITALY AND THE UNITED STATES.

THE FOOD FOR ROME, AS IN OTHER PLACES IN ITALY, WILL BE PARCELLED TO ORPHANAGES, INSTITUTES FOR THE BLIND, INSANE AND WAR WOUNDED AND TO HOMES OF THE OLD AND DESTITUTE. SOME 5,000 TONS WILL BE GIVEN IN ITALY.

ARRIVING IN ROME WITH THE FRIENDSHIP TRAIN WAS A CONVOY OF DECORATED TRUCKS HAULING IN GIFT FOOD WHICH ARRIVED MONDAY AT NAPLES ABOARD THE S.S. EXIRIA.

ITALIAN RADIOS BROADCAST A RUNNING COMMENTARY ON THE CEREMONIES AND SPEECHES TO THE NATION BY MAYOR SALVATORE REBECCHINI AND PEARSON, WHO READ MESSAGES FROM ROME, N.Y., AND JACKSON COUNTY, MO., THE HOME OF PRESIDENT TRUMAN.

THE MESSAGE FROM JACKSON COUNTY,MO., WAS WRITTEN IN ITALIAN ON BAGS OF GIFT FLOUR AND SAID:

"FROM JACKSON COUNTY, MISSOURI, IN THE CENTER OF THE UNITED STATES OF AMERICA, COMES THESE SACKS OF FLOUR, WITH GREETINGS OF THE SPIRIT, FROM THE BROTHERHOOD OF HUMANKIND, ORIGINATING IN THE SPIRIT, OF JESUS OF NAZARETH, THE GREAT MASTER OF THE BROTHERHOOD OF THE WORLD.

"OF JACKSON COUNTY, MISSOURI, AN EXAMPLE IS OUR PRESDENT, HARRY S.TRUMAN. AMONG US THERE ARE MANY PEOPLE OF EUROPE, WHO LIVE IN PEACE AND LIBERTY. THE PEOPLE OF JACKSON COUNTY GAVE THEIR MONEY

"OF JACKSON COUNTY, MISSOURI, AN EXAMPLE IS OUR PRESIDENT, HARRY S.TRUMAN. AMONG US THERE ARE MANY PEOPLE OF EUROPE, WHO LIVE IN PEACE AND LIBERTY. THE PEOPLE OF JACKSON COUNTY GAVE THEIR MONEY
IN THE SPIRIT OF FRIENDSHIP OF ALL OUR PEOPLE."

MJ1019AES

DEC 1947

30.24- 14575

SECOND LEAD GREEK
BY L.S.CHAKALES

DEC 1947

ATHENS, DEC 31-(AP)-HARD-DRIVING GREEK ARMY RELIEF FORCES PRESSED WITHIN SIGHT TODAY OF EMBATTLED KONITSA, WHERE A WEARY THOUSAND-MAN GARRISON HAS BEEN HOLDING OUT SINCE CHRISTMAS DAY AGAINST FURIOUS ATTACKS BY AN ESTIMATED 5,000 GUERRILLAS.

MILITARY AUTHORITIES IN IOANNINA SAID THE JUNCTURE OF THE RELIEVING FORCES WITH THE GARRISON COULD BE EXPECTED ABOUT NOON. THE BATTERED KONITSA GARRISON SIGNALLED TO THE RELIEF COLUMN: "WE'RE GLAD TO SEE YOUR MOVEMENTS AND KNOW YOU'LL BE COMING SOON."

ATHENS PRESS REPORTS SAID THE REBELS ENCIRCLING THE CITY HAD LAUNCHED A LAST DESPERATE ASSAULT ON KONITSA AND WERE BEING POUNDED BY ARTILLERY FIRE.

THE BULK OF THE GREEK REINFORCEMENT UNITS WERE REPORTED TO BE WITHIN A MILE OF STRATEGIC BOUROZANI BRIDGE, 11 MILES WEST OF KONITSA. IT WAS PREDICTED THE REBELS WOULD BLOW UP THE BRIDGE IN THEIR RETREAT, BUT ARMY ENGINEERS ALREADY WERE SAID TO BE BRINGING UP FORDING BOATS AND BRIDGE PARTS.

LT.GEN.KALOGEROPOULOS, COMMANDER OF THE SECOND ARMY CORPS, SENT A MESSAGE TO THE KONITSA GARRISON:

"BE BRAVE. MAKE A FINAL VALLIANT EFFORT. STRONG UNITS ARE MOVING TOWARD KONITSA. WE SHALL MEET AND SHAKE HANDS TODAY."

IN ANOTHER MESSAGE, TO THE 75TH BRIGADE, WHICH IS DEFENDING KONITSA, GEN.KALOGEROPOULOS SAID:

"BY AUTHORITY OF THE KING, I AWARD TO ALL WOUNDED OFFICERS AND MEN THE MILITARY CROSS. I RESERVE THE PRIVILEGE PERSONALLY TO PIN THESE DECORATIONS ON YOUR BREASTS."

AUTHORITATIVE MILITARY SOURCES REPEATED THEIR BELIEF THAT THE DANGER TO KONITSA WAS PAST AND DISCLOSED THAT GREEK FORCES IN EPIRUS NUMBERED 12 BATTALIONS OF SLIGHTLY MORE THAN 5,000 MEN. THE WAR MINISTRY SAID EARLIER THAT REBEL RESISTANCE AT KONITSA WAS "PETERING OUT" AND MILITARY OBSERVERS SAID THE CITY WAS VIRTUALLY OUT OF DANGER.

REBEL LOSSES IN THE IMMEDIATE KONITSA AREA WERE ESTIMATED AT 300 DEAD, 600 WOUNDED AND ABOUT 100 CAPTURED. THE WOUNDED WERE BEING TAKEN TO ALBANIAN HOSPITALS, MILITARY SOURCES SAID, AND ONE OFFICIAL REPORT SAID SEVERAL SECTIONS OF THE ATTACKING REBEL FORCE WERE RETREATING TOWARD ALBANIA, FIVE MILES NORTH OF KONITSA.

OTHER REPORTS SAID A COLUMN OF TRUCKS HAD BEEN SIGHTED BRINGING REINFORCEMENTS SOUTH FROM LESKOVIC, ALBANIA, TOWARD THE FRONTIER NEAR THE BOUROZANI BRIDGE, ONE OF THE KEY MILITARY POINTS TO THE DEFENSE OF KONITSA.

THE ARMY RAMMED X X X SECOND GRAF (A3)

DN755AES

DEC 1947

LONDON, DEC.31-(AP)-A HIGH GOVERNMENT SOURCE SAID TODAY THAT BRITISH TROOPS WILL REMAIN IN GREECE "AS LONG AS IT IS CONVENIENT TO DO SO." IT IS ESTIMATED THEY NOW TOTAL ABOUT 5,000.

THE INFORMANT SAID THAT IN THE LIGHT OF CURRENT AFFAIRS IN GREECE, IT WOULD "NOT BE CONVENIENT TO REMOVE THEM AT THIS TIME."

HE SAID AMERICAN-BRITISH TALKS WERE IN PROGRESS ON THE PRESENCE OF BRITISH TROOPS IN GREECE BUT DENIED AS "NONSENSE" REPORTS PUBLISHED IN LONDON THAT BRITAIN HAD ASKED THE UNITED STATES TO SEND TROOPS TO REPLACE THE BRITISH. —with Greek—

B1250PES

DEC 1947

GREECE(450)

WASHINGTON,DEC.30-(AP)-THE UNITED STATES LAID THE GROUNDWORK TODAY FOR A SHOWDOWN WITH RUSSIA AND ITS SATELLITES IF THEY "RECOGNIZE" THE NEW GUERRILLA RUMP STATE IN GREECE.

ASSERTING THAT SUCH ACTION WOULD BE "CLEARLY CONTRARY TO THE PRINCIPLES OF THE UNITED NATIONS CHARTER," UNDERSECRETARY OF STATE LOVETT IMPLIED THAT ONE COUNTER MOVE MIGHT BE TO SUPPLY THE GREEK ARMY WITH MORE AMERICAN EQUIPMENT.

BEYOND THIS HE LEFT WIDE OPEN THE QUESTION OF WHAT NEW ACTION THIS GOVERNMENT MIGHT TAKE TO CARRY OUT ITS EFFORT TO HELP GREECE RESIST FOREIGN COMMUNIST PRESSURE.

BUT DIPLOMATIC AUTHORITIES SAID THAT IF THE SOVIET BLOC IN THE BALKANS--WITH OR WITHOUT RUSSIA--EXTENDED DIPLOMATIC RECOGNITION TO THE COMMUNIST "FREE STATE" THE U.S.MIGHT:

1. DIVERT A LARGER SHARE OF THE $300,000,000 CONGRESS APPROPRIATED FOR GREEK AID TO MILITARY PURPOSES. THE ORIGINAL INTENT WAS TO SPLIT IT EQUALLY BETWEEN ECONOMIC AND MILITARY HELP, BUT AN ADDITIONAL $9,000,000 ALREADY HAS BEEN SHIFTED TO SUPPLYING THE GREEK ARMY WITH FOOD, OTHER SUPPLIES AND EQUIPMENT.

2. INCREASE THE U.S.MILITARY MISSION NOW ON THE SCENE FROM ITS PRESENT STRENGTH OF 90 OFFICERS AND AUTHORIZE A MORE ACTIVE ROLE THAN ADVISING THE GREEK ARMY STAFF.

3. ASK CONGRESS FOR AUTHORITY AND FUNDS TO EXTEND MILITARY AID BEYOND JUNE 30, THE PRESENT DEADLINE. GREECE COULD LOOK TO THE MARSHALL PLAN FOR EUROPEAN RECOVERY FOR FURTHER ECONOMIC ASSISTANCE.

4. SEEK ACTIVE ASSISTANCE FROM OTHER NATIONS THROUGH THE UNITED NATIONS. IF BLOCKED BY A SOVIET VETO IN THE SECURITY COUNCIL THIS CONCEIVABLY MIGHT BE DONE UNDER ARTICLE 51 OF THE CHARTER, CONCEDING THE RIGHT OF SELF DEFENSE OF ANY MEMBER STATE.

85WX

ASKED POINT BLANK WHETHER THE ADMINISTRATION PROPOSES TO STAND ON A POLICY OF SENDING ONLY TECHNICAL ADVISERS RATHER THAN COMBAT FORCES TO BOLSTER GREECE, LOVETT REPLIED YESTERDAY THAT OUR POLICY, OF COURSE, WILL HAVE TO BE RELATED TO CIRCUMSTANCES. HE ADDED HE IS NOT WILLING TO SAY AT A TIME LIKE THIS WHAT OUR POLICY WILL BE.

ON THE ISSUE OF DIVERTING AID FUNDS TO ARMS, HE NOTED SUCH DIVERSIONS IN THE PAST AND SAID FURTHER ACTION IS UNDER CONSTANT CONSIDERATION BY THE MISSION HEADED BY DWIGHT GRISWOLD.

LOVETT'S NEWS CONFERENCE STATEMENT WAS THE FIRST OFFICIAL AMERICAN REACTION TO THE PROCLAMATION OF THE RUMP REGIME HEADED BY GEN.MARKOS VIFIADES. LOVETT DECLARED:

"THE CLAIM OF CERTAIN COMMUNIST GUERILLA LEADERS THAT THEY HAVE

ESTABLISHED AT SOME UNKNOWN POINT A 'FIRST PROVISIONAL DEMOCRATIC GOVERNMENT OF FREE GREECE' IS A TRANSPARENT DEVICE, THE TRUE PURPOSE OF WHICH WILL BE CLEAR TO EVERYONE.

"IT IS ONLY A PHASEIN THE FAMILIAR EFFORT OF CERTAIN ELEMENTS TO OVERTHROW THE LEGITIMATE AND RECOGNIZED GREEK GOVERNMENT AND TO THREATEN THE TERRITORIAL INTEGRITY AND POLITICAL INDEPENDENCE OF GREECE."

FR814AES

WASHINGTON, DEC 31-(AP)-CHAIRMAN EATON (R-NJ) OF THE HOUSE FOREIGN AFFAIRS COMMITTEE SAID TODAY THE UNITED STATES MUST HELP GREECE AS LONG AS IT IS NECESSARY TO MAKE SURE SHE HAS FREE, SELF GOVERNMENT AND "THE TERROR OF COMMUUNISTIC INVASION" IS ENDED.

ASKED WHETHER THIS MEANT THAT THE UNITED STATES WILL HAVE TO SPEND MORE MONEY FOR GREEK AID, EATON TOLD REPORTERS:

"WHY, OF COURSE. WE MUST BE PREPARED TO PAY THE PRICE OF OUR LEADERSHIP."

THE FOREIGN AFFAIRS CHAIRMAN DID NOT CARE TO GO INTO THE QUESTION WHETHER IT MIGHT BE NECESSARY EVENTUALLY TO SEND AMERICAN COMBAT FORCES TO GREECE TO BOLSTER AMERICAN POLICY.

DEC 1947

J956PES

MOSCOW, DEC.31-(AP)-THE COMMUNIST NEWSPAPER PRAVDA SAID IN A NEW YEAR'S EDITORIAL TODAY THAT 1947 WILL GO DOWN IN HISTORY AS "A YEAR WHEN FIRM FOUNDATIONS WERE LAID FOR FURTHER RAISING THE LIVING STANDARDS OF THE SOVIET PEOPLE."

IT DECLARED SOVIET PEASANTS WOULD REAP A BIGGER HARVEST IN 1948 THAN THE BUMPER CROP OF 1947. IT DEMANDED A GOAL OF "AN ABUNDANCE OF FOOD PRODUCTS AND CONSUMER GOODS" IN THE NEXT FIVE-YEAR PLAN.

WM10AES

TEHRAN, DEC 31-(AP)-AHMED QAVAM, WHO RESIGNED AS PREMIER OF IRAN RECENTLY FOLLOWING A PARLIAMENTARY VOTE OF NON-CONFIDENCE, LEFT FOR SWITZERLAND TODAY ABOARD A FRENCH COMMERCIAL PLANE.

MEMBERS OF HIS DEMOCRATIC PARTY AND SOME REPRESENTATIVES OF THE DIPLOMATIC CORPS WERE AT THE AIRPORT TO BID HIM FAREWELL.

TEHRAN NEWSPAPERS SAID QAVAM WAS TRAVELING ON A DIPLOMATIC PASSPORT APPROVED BY THE NEW CABINET AT ITS INITIAL SESSION.

DN654AES

DEC 1947

SECOND NIGHT LEAD PALESTINE (160)

BY CARTER L.DAVIDSON

JERUSALEM, THURSDAY, JAN 1-(AP)-THE SHARP CRACKLE OF SNIPER FIRE IN JERUSALEM USHERED IN A NEW YEAR TODAY FOR BLOODSTAINED PALESTINE WHERE BITTER FIGHTING BETWEEN ARABS AND JEWS TOOK 10 LIVES ON THE CLOSING DAY OF 1947.

THE LAST MAN SLAIN IN A TRAGIC YEAR OF HATRED AND AGGRESSION IN THE HOLY LAND--FIRST BETWEEN THE JEWS AND THE BRITISH AND LATER BETWEEN THE ARABS AND THE JEWS--WAS AN ARAB WHO WAS KILLED IN A RURAL VILLAGE.

UNOFFICIAL SOURCES SAID ALSO A BRITISH CONSTABLE WAS SHOT DEAD LAST NIGHT OUTSIDE A CAFE IN THE JEWISH AREA OF DONTOWN JERUSALEM.

NIGHT OUTSIDE A CAFE IN THE JEWISH AREA OF DOWNTOWN JERUSALEM. THAT DEATH, IF VERIFIED, WOULD BRING THE FATALITY TOLL TO 491 SINCE NOV. 29 WHEN THE UNITED NATIONS VOTED TO PARTITION PALESTINE--AN ACTION APPROVED BY THE JEWS AND OPPOSED BY THE ARABS.

ANOTHER ACT OF VIOLENCE WHICH MARKED THE PASSING OF THE OLD YEAR WAS A BANK ROBBERY IN NAZARETH WHERE AN ARMED BAND, BELIEVED TO HAVE BEEN ARABS, TOOK ABOUT $4,000 FROM BARCLAYS BANK.

THE RAPID INCREASING CASUALTY TOLL IN THE ARAB-JEWISH WARFARE MAY CAUSE THE PALESTINE GOVERNMENT TO APPEAL FOR HELP TO THE INTERNATIONAL RED CROSS, AN OFFICIAL SPOKESMAN SAID YESTERDAY.

HAGANA, THE JEWISH UNDERGROUND DEFENSE ORGANIZATION, SAID IN A BROADCAST FROM HAIFA EARLY TODAY IT HAD LEARNED THAT TWO REFUGEE SHIPS CARRYING 15,000 VISALESS JEWS TO PALESTINE HAD BEEN BOARDED AT SEA BY BRITISH MARINES AND ORDERED TO PROCEED DIRECT TO CYPRUS DETENTION CAMPS. THE SHIPS ARE THE PAN YORK AND THE PAN CRESCENT.

A GOVERNMENT PUBLIC INFORMATION OFFICER SAID "WE ARE SERIOUSLY CONSIDERING" APPEALING TO THE RED CROSS FOR DOCTORS, NURSES, AND HOSPITAL EQUIPMENT. ALL PALESTINE HOSPITALS ARE FULL OF THOSE INJURED IN THE COMMUUNAL STRIFE, HE SAID, ADDING THAT THE SITUATION APPEARS IN NO WAY TO BE IMPROVING.

THE SPOKESMAN SAID THE GOVERNMENT IS TAKING ALL POSSIBLE MEASURES TO SAVE LIVES AND HAD ASKED JEWS TO REDUCE THEIR TRAVEL ON HIGHWAYS WHERE CONVOYS ARE BEING FIRED UPON REGULARLY.

IN ADDITION TO THE POSSIBLE APPEAL FOR MEDICAL HELP, HE SAID, THE GOVERNMENT ALSO IS CONSIDERING A FOOD SUPPLY PROGRAM TO RELIEVE CITIES WHERE COMMODITIES ARE SCARCE BECAUSE OF TRAVEL HAZARDS.

IN JERUSALEM THE RESIDENTS HAVE BEEN ON A PORK DIET FOR NEARLY A WEEK, SINCE ALL BEEF SHIPMENTS HAVE BEEN STOPPED BY ATTACKS ON CONVOYS COMING FROM THE COASTAL PLAIN.

THE GOVERNMENT ALSO MAY INSTALL A SYSTEM OF FEEDER AIRPORTS TO CONNECT WITH INTERNATIONAL AIR COMPANIES USING THE LYDDA AIRPORT IN THE HEART OF SNIPER TERRITORY.

JEWISH BUSES BETWEEN JERUSALEM AND TEL AVIV AND OTHER ROUTES THROUGH THE DANGER ZONES NOW ARE PERMITTED TO HAVE TWO LICENSED GUNS ABOARD, THE SPOKESMAN SAID. MOST OF THE BUSSES BETWEEN JEWISH CITIES HAVE BECOME VIRTUAL MOBILE FORTRESSES IN THE PAST WEEK. THE SEATS HAVE BEEN LOWERED SO THE PASSENGERS ARE NOT EXPOSED IN FRONT OF WINDOWS, AND ARMOR PLATING HAS BEEN INSTALLED IN MOST OF THE VEHICLES.

AN ARAB WAS KILLED AT YAZUR VILLAGE IN A PUNITIVE RAID WHICH WAS BELIEVED TO HAVE BEEN LAUNCHED BY MEMBERS OF THE JEWISH UNDERGROUND STERN ORGANIZATION. THE RAIDERS MACHINEGUNNED A VILLAGE AND BLASTED THREE HOUSES.

ANOTHER ARAB WAS KILLED IN THE JAFFA-TEL AVIV NO-MAN'S-LAND WHEN HE STRAYED TOO CLOSE TO A JEWISH SNIPERS' NEST, WAS CAUGHT AND CLUBBED TO DEATH WITH RIFLEBUTTS. THE THIRD ARAB FATALITY WAS A GUARD ON A ROOFTOP IN JERUSALEM'S OLD CITY, WHO WAS KILLED BY ARMY GUNS PROBING FOR SNIPERS IN THE PRE-DAWN.

A JEW WAS KILLED IN THE FASHIONABLE KATAMON QUARTER OF JERUSALEM. HE WAS APPARENTLY SHOT FROM A PASSING CAR WHILE HE WAS HELPING A JEWISH FAMILY MOVE OUT. ANOTHER JEW WAS FOUND SHOT TO DEATH IN THE COMMERCIAL CENTER HERE, AND A JEWISH NEWSBOY DELIVERING AN ENGLISH-LANGUAGE NEWSPAPER WAS KILLED AND HIS PAPERS AND MONEY WERE TAKEN BY ARABS IN THE MAIN PART OF THE CITY.

IN TEL AVIV A YOUNG JEW WAS FOUND SHOT TO DEATH IN A PARK. A JEWISH SOURCE SUGGESTED THAT THE FAILURE TO FIND IDENTIFICATION PAPERS ON THE BODY INDICATED HE MAY HAVE BEEN KILLED BY MEMBERS OF THE JEWISH UNDERGROUND FOR "POLITICAL REASONS."

A BRITISH CONSTABLE, WOUNDED IN A JERUSALEM BOMBING SEVERAL DAYS

DEC 1947

AGO, DIED TODAY.
THREE BUSSES WERE ATTACKED WITH HAND GRENADES.
AT LEAST TWO DOZEN PERSONS WERE BELIEVED TO HAVE BEEN WOUNDED IN THE NEW YEAR'S PRELUDE OF SNIPING AND BOMBING.
THE BIGGEST MASS FUNERAL IN PALESTINE'S RECENT HISTORY WAS HELD FOR THE 41 JEWISH VICTIMS OF YESTERDAY'S ATTACK ON THE CONSOLIDATED REFINERIES, LTD., IN HAIFA. THE SLAUGHTER STARTED WHEN ARAB LABORERS UNLEASHED A HAMMER AND TONGS POGROM ON JEWISH COWORKERS AFTER A BOMB HAD KILLED SIX ARABS OUTSIDE THE PLANT.
THE UNDERGROUND JEWISH IRGUN ZVAI LEUMI ADMITTED RESPONSIBILITY IN A BROADCAST TONIGHT FOR THE BOMB WHICH KILLED THE ARABS BUT SAID IT WAS SORRY FOR THE DEATHS OF THE JEWS. HOWEVER, THE BROADCAST ADDED, "IT PROBABLY WOULD HAVE HAPPENED ANYWAY SOONER OR LATER."
THE PALESTINE GOVERNMENT ANNOUNCED THAT THE 15,000 EUROPEAN JEWS REPORTED TO BE APPROACHING THE HOLY LAND ABOARD THE PAN YORK AND PAN CRESCENT WOULD BE ESCORTED DIRECTLY TO CYPRUS DETENTION CAMPS IF INTERCEPTED BY THE BRITISH NAVY. THIS WOULD BE A DEPARTURE FROM THE USUAL METHOD OF ESCORTING SHIPS WITH UNCERTIFIED IMMIGRANTS ABOARD TO HAIFA HARBOR, TRANSFERRING THEM TO BRITISH TRANSPORTS AND RESHIPPING THEM TO CYPRUS. OFFICIALS SAID THE LARGE NUMBER OF REFUGEES WOULD MAKE IT MORE FEASIBLE TO TAKE THEM DIRECT TO CYPRUS.
(IN LONDON, THE PANAMANIAN CONSULATE ANNOUNCED IT HAD INFORMED THE BRITISH FOREIGN OFFICE THAT PANAMANIAN REGISTRATION OF THE TWO VESSELS HAD EXPIRED AND THAT THEY WERE FLYING PANAMA'S FLAG ILLEGALLY. THE CONSULATE SAID THE PROVISIONAL PATENT GRANTED BY HIS COUNTRY'S CONSULATE IN NEW YORK TO THE PAN CRESCENT HAD EXPIRED OCT. 25 AND TO THE PAN YORK NOV. 5. THE SHIPS WHICH SAILED FROM A BULGARIAN PORT, HAVE PASSED THROUGH THE DARDANELLES.)
JK352PES

JERUSALEM, DEC 31-(AP)-THE PALESTINE GOVERNMENT ANNOUNCED TODAY THAT TWO CARGO SHIPS LOADED WITH 15,000 VISALESS JEWISH REFUGEES, NOW REPORTED EN ROUTE TO THE HOLY LAND, WOULD BE ESCORTED DIRECTLY TO CYPRUS IF INTERCEPTED BY BRITISH NAVAL VESSELS IN PALESTINE WATERS.
HERETOFORE JEWISH IMMIGRANTS TRYING TO ENTER THE HOLY LAND IN DEFIANCE OF BRITISH IMMIGRATION RESTRICTIONS HAVE BEEN LANDED AT HAIFA AND TRANSFERRED TO BRITISH SHIPS FOR REMOVAL TO DETENTION CAMPS ON CYPRUS.
BRITISH OFFICIALS EXPLAINED THAT THE LARGE NUMBER OF JEWS REPORTEDLY ABOARD THE TWO SHIPS MADE IT UNFEASIBLE TO FOLLOW THE USUAL PROCEDURE.
DISPATCHES FROM ISTANBUL LAST NIGHT SAID THE TWO VESSELS -- IDENTIFIED AS THE PAN YORK AND THE PAN CRESCENT -- HAD MOVED OUT INTO THE AEGEAN SEA AFTER TAKING NEARLY 48 HOURS TO PASS THROUGH THE DARDANELLES.
THE SHIPS, WHICH SAILED FROM A BULGARIAN BLACK SEA PORT AGAINST THE ORDERS OF THE JEWISH AGENCY EXECUTIVE, WERE REPORTED CARRYING MOSTLY MIDDLE EUROPEAN AND BALKAN JEWS. more

30.24- 14577

(PANAMA'S CONSULATE IN LONDON ANNOUNCED IT HAD INFORMED THE BRITISH FOREIGN OFFICE THE PANAMANIAN REGISTRATION OF THE PAN CRESCENT AND PAN YORK HAS EXPIRED AND BOTH SHIPS ARE FLYING THE PANAMA FLAG ILLEGALLY.
(A FOREIGN OFFICE SPOKESMAN SAID THE REPORT WAS RECEIVED GRATEFULLY, EXPLAINING IT WAS IN ANSWER TO BRITISH REQUESTS THAT PANAMA PROCEED AGAINST SHIPS OF HER REGISTRY CARRYING UNCERTIFIED JEWISH IMMIGRANTS. HE SAID THE STATUS OF THE SHIPS WOULD BE CLARIFIED AS SOON AS THEY PUT INTO PORT.
(THE PANAMANIAN CONSULATE SAID A PROVISIONAL PATENT GRANTED IN PANAMA'S CONSULATE IN NEW YORK TO THE PAN CRESCENT EXPIRED OCT. 25 AND THAT OF THE PAN YORK NOV. 5).
TU126PES

JERUSALEM, DEC.31-(AP)-A JEWISH GIRL WHO POLICE SAID WAS CARRYING TWO STEN GUNS WAS ARRESTED IN A JEWISH MOTOR CONVOY BETWEEN JERUSALEM AND TEL AVIV TODAY.
MRS.GOLDA MEYERSON, MEMBER OF THE JEWISH AGENCY, IMMEDIATELY DEMANDED THE GIRL'S RELEASE ON THE GROUNDS THAT THE PALESTINE GOVERNMENT HAD PROMISED THAT THERE WOULD BE "NO MORE SEARCHES FOR DEFENSIVE ARMS."
MRS.MEYERSON AND THREE OTHER MEMBERS OF THE JEWISH AGENCY WERE IN THE CONVOY. PART OF THE CONVOY CONTINUED ON TO TEL AVIV AND PART REMAINED WITH MRS.MEYERSON ACCOMPANYING THE ARRESTED GIRL TO A POLICE STATION, JEWISH SOURCES SAID.
MD1105PES

JERUSALEM, DEC.31-(AP)-A JEWISH BUS WAS RAKED WITH ARAB MACHINEGUN FIRE AND THEN BOMBED NEAR THE JERUSALEM RAILWAY STATION AT 9:30 A.M. TODAY. FIRST REPORTS SAID CASUALTIES WERE HEAVY.
AT ABOUT THE SAME TIME A JEWISH NEWSBOY DELIVERING COPIES OF AN ENGLISH LANGUAGE ZIONIST NEWSPAPER, THE PALESTINE POST, WAS SHOT TO DEATH BY ARABS IN THE CENTER OF JERUSALEM.
JUST BEFORE DAWN AN ARAB GUARD ON A ROOFTOP IN THE OLD CITY WAS KILLED BY ARMY GUNS PROBING FOR SNIPERS.
THESE DEATHS RAISED TO 483 THE TOLL OF VIOLENT DEATHS IN THE HOLY LAND SINCE THE UNITED NATIONS DECISION NOV.29 TO PARTITION THE HOLY LAND.
JP426AES

FIRST LEAD PALESTINE
BY CARTER L.DAVIDSON
JERUSALEM, DEC. 31-(AP.)-SNIPING CONTINUED THROUGH NEW YEAR'S EVE IN THE BITTER COMMUNAL STRIFE OVER PARTITION AND BROUGHT DEATH TODAY TO AT LEAST EIGHT PERSONS.
GRENADES EXPLODED IN OR BESIDE THREE BUSES. NOT LESS THAN 24 PERSONS WERE INJURED IN THE SCATTERED VIOLENCE.
THE DEATHS OF FOUR JEWS, THREE ARABS AND A BRITISH POLICEMEN PUSHED THE DEATH TOLL SINCE NOV. 29 TO 489.
AN ARAB WAS KILLED IN YAZUR VILLAGE IN A JEWISH REPRISAL RAID. THE VILLAGE WAS MACHINEGUNNED AND THREE HOUSES WERE BLASTED. #

NEW YORK,DEC.31-(AP)-ANDREI A.GROMYKO, SOVIET REPRESENTATIVE TO THE UNITED NATIONS, CALLED ON BRITAIN LAST NIGHT FOR PROMPT ADMITTANCE TO PALESTINE OF THE U.N. SPECIAL COMMISSION SET UP TO SUPERVISE PARTITION OF THE HOLY LAND.

THE RUSSIAN OFFICIAL, SPEAKING AT A DINNER OF THE AMERICAN COMMITTEE OF JEWISH WRITERS, ARTISTS AND SCIENTISTS, SAID IT WAS REPORTED THE BRITISH PLANNED NOT TO ADMIT THE U.N. COMMISSION UNTIL "BRITISH TROOPS ARE WITHDRAWN FROM CONSIDERABLE AREAS--MAY 1 OR JUNE 1, 1948."

"SUCH A SITUATION CANNOT BE CONSIDERED AS NORMAL," GROMYKO SAID.

BJ622AES

CHINESE MILITARY

NANKING,DEC.31-(AP)-THE COMMUNISTS WERE CREDITED TODAY WITH THEIR FIRST MAJOR VICTORY IN THE MANCHURIAN WINTER OFFENSIVE, THE CAPTURE OF CHANGWU, OUTER BASTION OF MUKDEN 60 MILES NORTHWEST OF THAT CITY.

THE PLIGHT OF ISOLATED MUKDEN ITSELF GREW MORE GRIM AS HEAVY SNOW-STORMS BLOCKED THE CITY'S AIRPORTS, HALTING THE AIR LIFTS WHICH ARE THE ONLY CONTACT WITH OUTSIDE AREAS.

GOVERNMENT COUNTER ATTACKS ON THE OUTSKIRTS WERE REPORTED TO HAVE IMPROVED THE CITY'S MILITARY SITUATION, HOWEVER.

LT. GEN. TENG WEN-YI, MILITARY SPOKESMAN, TOLD A NEWS CONFERENCE THE GOVERNMENT GARRISON QUIT CHANGWU SUNDAY AFTER INFLICTING 10,000 CASUALTIES ON TWO RED ARMIES IN A FIERCE BATTLE.

(THE COMMUUNISTS EQUALLED THIS CLAIM, ASSERTING THEY ALSO INFLICTED 10,000 CASUALTIES ON THE CHANGWU GARRISON AND WIPED OUT THE 79TH DIVISION. THE COMMUNIST BROADCAST WAS HEARD BY THE ASSOCIATED PRESS AT SAN FRANCISCO.)

ASSOCIATED PRESS CORRESPONDENT SPENCER MOOSA IN PEIPING FORWARDED REPORTS THAT THE FIGHTING HAD MOVED TO MUKDEN'S OUTSKIRTS. THE COMMUNISTS WERE LAST REPORTED WITHIN SIX MILES OF THE CITY.

BRITISH, AMERICAN AND OTHER CONSULATES IN PEIPING SAID, HOWEVER, THEY HAD NO PLANS TO BRING OUT THEIR NATIONALS IN MUKDEN, INDICATING THEY DID NOT CONSIDER THE CITY WAS IN DANGER.

FJ908PCS

NIGHT LEAD INDIAN

NEW DELHI, DEC. 31-(AP)-OFFICIAL INDIAN SOURCES SAID TODAY THAT PREMIER JAWAHARLAL NEHRU WILL ANNOUNCE WITHIN A FEW DAYS INDIA'S DECISION TO REPORT TO THE UNITED NATIONS SECURITY COUNCIL THAT PAKISTAN IS ACTIVELY ASSISTING TRIBAL RAIDERS IN KASHMIR. THESE SOURCES SAID THE "ONLY ALTERNATIVE" TO THIS COURSE WOULD MEAN WAR.

"WE HAVE AMPLE EVIDENCE," ONE HIGH SPOKESMAN SAID, "THAT PAKISTAN IS ALLOWING THE RAIDERS TO MAINTAIN MILITARY BASES ON PAKISTAN SOIL, FROM WHICH STRIKING FORCES ENTER KASHMIR, COMMIT DEPREDATIONS, THEN WITHDRAW TO BASES WHERE THEY ARE SAFE FROM PURSUIT BY INDIAN TROOPS WHOSE DUTY IT IS TO PROTECT KASHMIR SINCE THAT PRINCELY STATE HAS BECOME PART OF THE INDIAN UNION.

"BUT ASSISTANCE HAS GONE EVEN FARTHER. WE KNOW BEYOND QUESTION THAT RAIDERS ARE USING MODERN WEAPONS AND OTHER IMPLEMENTS OF WAR WHICH COULD COME ONLY FROM PAKISTAN."

OFFICIALS SAID PAKISTAN HAS BEEN KEPT FORMALLY ADVISED OF INDIA'S INTENTIONS, INCLUDING HER DECISION TO APPEAL TO THE U.N., ADDING THAT "WE ARE HOPEFUL THAT A FRIENDLY SETTLEMENT WILL RESULT."

THE SPOKESMAN SAID THAT THE "ONLY ALTERNATIVE WOULD BE FOR OUR TROOPS TO CROSS THE BORDER INTO PAKISTAN AND ATTACK THESE STRONGHOLDS OF AGGRESSION AGAINST US OR TO ATTACK THEM FROM THE AIR. THAT, OF COURSE, WOULD MEAN WAR."

OFFICIALS SAID THE MILITARY WEAKNESS OF PAKISTAN MAY BE A FACTOR IN THAT DOMINION'S FAILURE TO ENTERFERE WITH THE TRIBAL RAIDERS BUT THAT THEY HAD RECEIVED NO WORD TO THIS EFFECT FROM PAKISTAN.

INDIA HAS MAINTAINED THAT KASHMIR'S FUTURE SHOULD BE DETERMINED BY A REFERENDUM OF THE PEOPLE. FIGHTING AGAINST THE TRIBAL FORCES HAS BEEN CONTINUOUS SINCE LATE OCTOBER WHEN INVADERS, MOSTLY TRIBESMEN FROM THE NORTHWEST FRONTIER PROVINCE OF PAKISTAN, SWEPT ACROSS THE BORDER AND BEGAN A SERIES OF RAIDS IN THE FAMOUS VALE OF KASHMIR AND JAMMU PROVINCE.

INDIAN TROOPS WENT TO THE DEFENSE OF THE STATE AFTER THE HINDU MAHARAJAH OF KASHMIR ACCEDED TO THE INDIAN UNION AND ASKED FOR ASSISTANCE. THE KASHMIRI ARE LARGELY MOSLEM.

THE RAIDERS MAINTAIN THEY ARE FIGHTING FOR THE "AZAD KASHMIR PROVISIONAL GOVERNMENT," CLAIMING THEY ARE MOSTLY KASHMIRIS WHO HAVE RECEIVED SOME HELP FROM TRIBESMEN. INDIA HAS MAINTAINED THAT MOST OF THE FIGHTING IS BEING DONE BY OUTSIDERS, WITH KASHMIRIS FORCED TO PARTICIPATE UNDER THREATS OF DEATH.

MEANWHILE, A CLASH OF DEMONSTRATING STUDENTS WITH POLICE WAS REPORTED AT BOMBAY, IN INDIA, WHERE 23 STUDENTS WERE INJURED. IN ADDITION THE 105 SUFFERED FROM THE EFFECTS OF TEAR GAS. THE INCIDENT OCCURRED IN THE HEART OF THE MILL AREA WHEN 1,200 DELEGATES TO THE ALL-INDIA STUDENTS CONFERENCE BURST THROUGH POLICE CORDONS TO HOLD A MEETING WHICH THE AUTHORITIES HAD FORBIDDEN ON THE GROUNDS IT MIGHT LEAD TO COMMUNAL STRIFE. STONES WERE THROWN AT THE POLICE, WHO THEN USED TEAR GAS ON THE STUDENTS AND BEGAN SHOOTING WHEN THEY REFUSED TO DISPERSE.

TU153PES

30.24- 14579

NIGHT DEAD WAR CRIMES

TOKYO, DEC.31-(AP)-THE CROSS-EXAMINATION OF HIDEKI TOJO WAS HALTED TODAY BY THE INTERNATIONAL TRIBUNAL'S HOLIDAY RECESS BUT A CONTROVERSY WENT RIGHT ON WITHIN THE PROSECUTION STAFF.

JOHN W. FIHELLEY, WASHINGTON, D. C., ASSOCIATE PROSECUTOR, SAID HE WAS BROUGHT BACK TO TOKYO ON URGENT PROSECUTION SUMMONS TO TAKE OVER THE CROSS-EXAMINATION ONLY TO FIND HIMSELF ON THE SIDELINES.

CHIEF PROSECUTOR JOSEPH B. KEENAN TOOK OVER THE OPENING CROSS-EXAMINATION OF TOJO AND THE TRIBUNAL REFUSED TO LET FIHELLEY FINISH IT.

"THE PROPAGANDA EFFECT OF TOJO'S TESTIMONY AS PLAYED UP IN THE JAPANESE NEWSPAPERS WAS ONE OF THE REASONS I WANTED TO ASK A FEW QUESTIONS MYSELF," KEENAN TOLD A REPORTER.

ANYWAY, HE ADDED, HE HADN'T AUTHORIZED ANYONE TO SAY FIHELLEY WOULD HANDLE THE CROSS-EXAMINATION. "IT HAD BEEN INTENDED ALL THE TIME THAT FIHELLEY WOULD SUPPLEMENT MY EXAMINATION."

FIHELLEY REPLIED THAT HE WAS INFORMED HE WAS TO CONDUCT IT, THAT HE WAS BRIEFED BY KEENAN AS LATE AS YESTERDAY ON QUESTIONS TO ASK AND THAT "I DID NOT KNOW UNTIL I WALKED INTO KEENAN'S OFFICE AT 9 A.M. TODAY THAT THERE HAD BEEN ANY CHANGE."

TRIBUNAL RULES LIMIT CROSS-EXAMINATION TO ONE ATTORNEY. FIHELLEY SAID HE WOULD RETURN TO WASHINGTON AFTER A FEW DAY'S REST.

FJ931PCS

WAR TRIAL (120) DAY

TOKYO,DEC.31-(AP)-CHIEF PROSECUTOR JOSEPH B.KEENAN BEGAN CROSS EXAMINING HIDEKO TOJO IN THE INTERNATIONAL WAR CRIMES COURT TODAY AFTER THE TRIBUNAL REFUSED TO ALLOW ASSOCIATE PROSECUTOR JOHN W.FIHELLEY OF WASHINGTON, D.C., TO "ASSIST."

FIHELLEY DEPARTED IN RED-FACED INDIGNATION.

THE COURT RECESSED UNTIL FRIDAY, FOR THE NEW YEAR'S HOLIDAY, SHORTLY AFTER KEENAN BEGAN HIS QUESTIONING.

FIHELLEY TOLD INTERVIEWERS TWO WEEKS AGO THAT KEENAN HAD DESIGNATED HIM TO CONDUCT TOJO'S CROSS EXAMINATION; HE HAD RETURNED HERE FROM THE UNITED STATES FOR THAT PURPOSE.

IN THE SPECTATORS' GALLERY WERE MRS.DOUGLAS MACARTHUR AND SON ARTHUR, 9. ARTHUR, THE GENERAL'S WIFE EXPLAINED, "WANTED TO SEE TOJO."

HH1121ACSNM

TOKYO,DEC.31-(AP)-TWO FIGHTER PILOTS KILLED IN THE COLLISION OF THEIR P-51'S OVER SOUTHERN HONSHU SUNDAY WERE IDENTIFIED BY THE ARMY TODAY AS LT.COL.RICHARD A.CLAINE OF STATESVILLE, N.C., AND CAPT. ALEXANDER RISTICH, 1172 HARDESTY BLVD., AKRON, OHIO.

THEY WERE GIVING AN AERIAL SALUTE TO THE AUSTRALIAN 81ST FIGHTER WING AT BOFU AIRFIELD.

VR630ACS NM

YOKOHAMA,DEC.31-(AP)-A GROUP COMPOSED MOSTLY OF ENGLISH CHURCHMEN IS PLANNING A 5,000,000 YEN ($100,000) FOUNDLING HOME FOR NEGLECTED, HOMELESS OR ABANDONED JAPANESE CHILDREN, U.S. EIGHTH ARMY HEADQUARTERS REPORTED TODAY.

THE INSTITUTION WILL BE NAMED THE ELIZABETH SAUNDERS HOME, IN MEMORY OF THE ENGLISH-BORN GOVERNESS OF THE MITSUI FAMILY, WHO DIED IN 1945. IT WILL BE LOCATED AT OISO, 20 MILES SOUTH OF YOKOHAMA, AND WILL BE OPERATED BY ANGLICAN COMMUNION NUNS. THE STAFF OF ST.LUKE'S INTERNATIONAL MEDICAL CENTER IN TOKYO WILL FURNISH MEDICAL AID. BRITISH, CANADIAN, AUSTRALIAN AND AMERICAN AGENCIES ARE EXPECTED TO CONTRIBUTE A PART OF THE NECESSARY FUNDS.

THE RT.REV.L.MAEKAWA, BISHOP OF SOUTH TOKYO, WILL SUPERVISE THE HOME. MADAME RENZO SAWADA, WIFE OF THE FORMER JAPANESE AMBASSADOR TO FRANCE, HEADS A FUND-RAISING COMMITTEE. ON THE HOME'S ADVISORY COUNCIL ARE THE RT.REV.JOHN C.MANN, REPRESENTATIVE OF THE ARCHBISHOP OF CANTERBURY; THE REV.CANNON P.S.C. FOWLES, REPRESENTATIVE OF THE CHURCH OF ENGLAND IN CANADA; THE REV.FRANK W.COALDRAKE, REPRESENTATIVE OF THE CHURCH OF ENGLAND IN AUSTRALIA; THE REV.FATHER ARNOLD, REPRESENTATIVE OF THE CHURCH OF ENGLAND IN JAPAN; AND THE REV.KENNETH A.VIALL, REPRESENTATIVE OF THE AMERICAN CHURCH IN JAPAN.

VR625ACS

PRECEDE HUNTINGTON DAY

HONOLULU,DEC.31-(AP)-THE $225,000 DAMAGE SUIT FILED IN HUNTINGTON, W.VA., AGAINST GEN.DELOS C.EMMONS IS ANOTHER MOVE IN THE FIVE-YEAR OLD FIGHT OF HANS ZIMMERMAN AGAINST MILITARY AUTHORITIES WHOM HE HOLDS RESPONSIBLE FOR HIS INTERNMENT AFTER THE ATTACK ON PEARL HARBOR.

ZIMMERMAN, BORN IN GERMANY BUT NATURALIZED AS AN AMERICAN CITIZEN IN 1934, WAS INTERNED DEC. 8, 1941, BY MILITARY AUTHORITIES FOR ALLEGED SUBVERSIVE ACTIVITIES.

HE WAS SENT TO AN INTERNMENT CAMP IN WISCONSIN AND WAS HELD UNTIL MARCH 4, 1943. IN 1942 HE WAS DENIED A WRIT OF HABEAS CORPUS BY A FEDERAL JUDGE IN HONOLULU.

THE JUDGE HELD THEN THAT ZIMMERMAN WAS ENTITLED TO A WRIT BUT THE COURT WAS ACTING "UNDER MILITARY DURESS" AND WAS FORCED TO DENY ANY RELIEF.

LAST YEAR ZIMMERMAN FILED A SUIT IN THE U. S. DISTRICT COURT AT WASHINGTON,D.C., SEEKING $575,000 DAMAGES AGAINST FORMER GOV.JOSEPH POINDEXTER OF HAWAII, EMMONS AS COMMANDER OF THE ARMY'S HAWAIIAN DEPARTMENT, MAJ.GEN.WALTER C. SHORT AS COMMANDER AT THE TIME OF INTERNMENT AND OTHERS.

IN THIS SUIT ZIMMERMAN CLAIMED DAMAGES FOR FALSE IMPRISONMENT, DEPRIVATION OF EARNINGS AND DEFAMATION OF CHARACTER. THAT SUIT WAS TRANSFERRED TO THE LOS ANGELES DISTRICT COURT, WHERE IT IS PENDING.

AT THE TIME OF HIS ARREST, ZIMMERMAN WAS OPERATING A HEALTH CENTER IN HONOLULU.

FJ801PCS

PANAMA, PANAMA, DEC.31-(AP)-MARIO DE DIEGRO BECAME PANAMA'S NEW FOREIGN MINISTER TODAY IN A SHAKEUP WHICH FOLLOWED REJECTION BY THE NATIONAL ASSEMBLY OF AN AGREEMENT FOR U.S. RENTAL OF 14 CANAL DEFENSE BASES.

DE DIEGO TOOK A PROMINENT PART IN THE LEASE NEGOTIATIONS AS UNDERSECRETARY IN THE FOREIGN MINISTRY, BUT PRESIDENT ENRIQUE ADOLFO JIMINEZ TOLD A NEWS CONFERENCE LAST NIGHT THAT HE DID NOT BELIEVE THE TIME WAS RIGHT FOR NEW NEGOTIATIONS ON THE BASES, WHICH THE UNITED STATES HAS EVACUATED.

WM945AES

panama, panama, dec. 31 -(AP)- president enrique adolfo jimenez said today in a new year's statement that he hoped 1948 would see a "favorable" settlement of the "common problems" of panama and the united states.

referring to the national assembly's recent rejection of an agreement leasing the united states 14 defense sites on panamanian soil, jimenez said he was "confident time will clarify the facts and a calm study of documents in the file of the foreign office will show how honestly we acted--without political calculations and without petty passions."

jimenez' government had signed the agreement with the united states before the assembly refused to ratify it.

BUENOS AIRES,DEC.31-(AP)-DIPLOMATIC QUARTERS SAID TONIGHT THEY LEARNED THE ARGENTINE GOVERNMENT HAD AGREED TO CONTINUE MEAT SHIPMENTS TO GREAT BRITAIN UNDER A "GENTLEMEN'S AGREEMENT," PENDING CONCLUSION OF TRADE TALKS BETWEEN THE TWO COUNTRIES NOW IN PROGRESS HERE.

AMOS J.COOKE, A REPRESENTATIVE OF THE BRITISH FOOD MINISTRY, SAID MONDAY HE HAD BEEN TOLD BY BUENOS AIRES PACKING HOUSE REPRESENTATIVES THE ARGENTINE GOVERNMENT HAD ORDERED ALL MEAT SHIPMENTS TO GREAT BRITAIN HALTED BY JAN. 7.

ARGENTINA CONSIDERS A PREVIOUS CONTRACT VOIDED BY A RECENT BRITISH ACTION IN MAKING STERLING UNCONVERTIBLE. MJ1116PES

WASHINGTON,DEC.31-(AP)-PRESIDENT TRUMAN DISAGREED TODAY WITH A DESCRIPTION OF THE REPUBLICAN-SPONSORED ANTI-INFLATION BILL AS A "HALF A LOAF" MEASURE. HE SAID THAT IT WAS HARDLY A SLICE.

A REPORTER USED THE "HALF LOAF" TERM WHEN ASKING AT MR.TRUMAN'S NEWS CONFERENCE WHETHER THE WHITE HOUSE HAS LOCATED THE LOST ORIGINAL COPY OF THE BILL.

IT HASN'T BEEN FOUND.

FG
1149AES

NIGHT LEAD TRUMAN-PEACE

BY ED CREAGH

WASHINGTON,DEC.31-(AP)-PRESIDENT TRUMAN SAID IN A NEW YEARS MESSAGE TODAY THAT HE FACES 1948 "CONFIDENTLY LOOKING FORWARD TO A WORLD PEACE ON WHICH ALL NATIONS CAN AGREE."

AND HE SAID THE UNITED NATIONS MUST BE MADE TO WORK, NO MATTER HOW LONG IT TAKES, "FOR THE SIMPLE REASON THAT WE CAN'T AFFORD ANYTHING ELSE."

THE PRESIDENT, SURROUNDED BY MEMBERS OF HIS AND HIS WIFE'S FAMILIES, TOLD HIS FINAL NEWS CONFERENCE OF 1947:

"IT IS TO OUR SELFISH INTERESTS AND TO THE SELFISH INTERESTS OF EVERY COUNTRY IN THE WORLD THAT WE DO HAVE A WORKABLE WORLD PEACE."

MR.TRUMAN ALLOWED HIS "OFF THE CUFF" REMARKS, DELIVERED WITHOUT NOTES, TO BE QUOTED DIRECTLY--SOMETHING HE SELDOM DOES.

HE SAID HE THOUGHT 1947 HAD BEEN A GOOD YEAR BUT "NOT AS GOOD AS WE WOULD LIKE TO HAVE HAD IT--NONE OF THEM EVER ARE."

WHEN WE FRET ABOUT SLOW PROGRESS IN THE UNITED NATIONS, THE PRESIDENT SAID, WE SHOULD REMEMBER HOW LONG IT TOOK TO GET OUR OWN CONSTITUTION INTO FINAL FORM AND THEN TO MAKE IT WORK.

THE COUNTRY HAD "TREMENDOUS DIFFICULTIES IN THOSE DAYS, ALMOST EXACTLY THE SAME DIFFICULTIES WITH WHICH WE ARE FACED NOW BOTH IN EUROPE AND HERE," HE SAID. AND HE ADDED:

"IT TOOK JUST ABOUT EIGHTY YEARS, REALLY, TO GET THE CONSTITUTION PROPERLY IMPLEMENTED. IN FACT, IT WAS NOT THE CONSTITUTION OF THE UNITED STATES UNTIL 1865.

"SO I DON'T THINK WE OUGHT TO BE DISCOURAGED AT THINGS THAT SOMETIMES GET IN OUR WAY IN MAKING THIS TREMENDOUS PEACE ORGANIZATION WORK."

MR.TRUMAN SAID HE HADN'T INTENDED TO MAKE A SPEECH BUT:

"I AM VERY MUCH INTERESTED IN PEACE, AND I HAVE EVERY FAITH IN THE FINAL WORKING OF THE UNITED NATIONS AS A MEANS OF GENERAL WORLD PEACE, FOR THE SIMPLE REASON THAT WE CAN'T AFFORD ANYTHING ELSE."

HKWETH THE PRESIDENT IN HIS OFFICES WERE HIS DAUGHTER, MARLI
SISO

FOR THE SIMPLE REASON THAT WE CAN'T AFFORD ANYTHING ELSE."

WITH THE PRESIDENT IN HIS OFFICES WERE HIS DAUGHTER, MARGARET; HIS SISTER, MISS MARY JANE TRUMAN OF GRANDVIEW,MO.; AND MEMBERS OF HIS

30.24- 14581

WIFE'S FAMILY WHO HAVE BEEN SPENDING THE HOLIDAYS AT THE WHITE HOUSE.
BESIDES WISHING THE REPORTERS "9- £-006 -,$ 049'0

WIFE'S FAMILY WHO HAVE BEEN SPENDING THE HOLIDAYS AT THE WHITE HOUSE.
BESIDES WISHING THE REPORTERS "A HAPPY AND PROSPEROUS 1948," MR. TRUMAN DID THEM A FAVOR BY HOLDING HIS WEEKLY GATHERING WITH THEM ON WEDNESDAY RATHER THAN THE CUSTOMARY THURSDAY.

HE SAID SMILINGLY THAT HE THOUGHT THEY MIGHT PREFER IT THAT WAY. OTHERWISE THEY'D HAVE HAD TO GET OUT OF BED ON NEW YEARS DAY--POSSIBLY IN TIME TO REACH THE WHITE HOUSE BY 10:30 A.M.

FR225PES

FOREIGN AID (450)

WASHINGTON, DEC 31-(AP)-FRESH EVIDENCE INCLUDING SOME FROM SENATOR TAFT (R-OHIO), THAT THE $17,000,000,000 (BILLION) MARSHALL PLAN IS GOING TO GET A THOROUGH GOING-OVER BY REPUBLICAN SENATORS CONFRONTED SENATOR VANDENBERG (R-MICH) TODAY.

VANDENBERG, AS CHAIRMAN OF THE FOREIGN RELATIONS COMMITTEE PLANS TO INTRODUCE THE ADMINISTRATION'S EUROPEAN RECOVERY PROPOSAL IN THE SENATE NEXT WEEK. HIS COMMITTEE WILL START HEARINGS ON THE MEASURE ALMOST IMMEDIATELY THEREAFTER.

TAFT, CHAIRMAN OF THE SENATE REPUBLICAN POLICY COMMITTEE AND A CANDIDATE FOR THE REPUBLICAN PRESIDENTIAL NOMINATION, TOLD A ST. LOUIS AUDIENCE LAST NIGHT THAT HE DOUBTS THE MARSHALL PLAN "WILL REALLY DO THE GOOD IN EUROPE WHICH IS CLAIMED."

THE PLAN CALLS FOR 16 PARTICIPATING WESTERN EUROPEAN NATIONS TO TAKE ALL POSSIBLE STEPS TO HELP THEMSELVES AND ONE ANOTHER REGAIN ECONOMIC STABILITY, WITH THE UNITED STATES TO EXTEND WHATEVER ADDITIONAL AID IS DEEMED NECESSARY OVER A FOUR-YEAR PERIOD.
THIS HAS BEEN ESTIMATED BY THE ADMINISTRATION AT $17,000,000,000, OF WHICH $6,800,000,000 WOU

JAN 1948

AL AID IS DEEMED NECESSARY OVER A FOUR-YEAR PERIOD.
THIS HAS BEEN ESTIMATED BY THE ADMINISTRATION AT $17,000,000,000, OF WHICH $6,800,000,000 WOULD BE SPENT DURING THE FIRST 15 MONTHS BEGINNING NEXT APRIL 1.

TAFT DECLARED THAT PASSAGE OF THE PLAN IN ITS PRESENT FORM WOULD "NECESSARILY MEAN HIGHER PRICES" AT HOME BECAUSE OF THE EXPORTS WHICH WOULD BE NECESSARY. HE TERMED THE NATION'S PRESENT SURPLUS OF EXPORTS OVER IMPORTS "THE MOST IMPORTANT CAUSE OF HIGH PRICES TODAY" AND ADDED:

"IF THE ADMINISTRATION INSISTS UPON THE MARSHALL PLAN IN ITS PRESENT FORM, IT CAN NEVER BLAME ANYONE ELSE FOR THE STEADY INCREASE OF PRICES IN THE UNITED STATES."

BEFORE TAFT SPOKE SIX WESTERN AND MIDWESTERN REPUBLICAN SENATORS CALLED ON VANDENBERG FOR A LONG, CLOSED-DOOR DISCUSSION OF THE PROGRAM'S PROBABLE IMPACT ON THE DOMESTIC ECONOMY.

THE CALLERS INCLUDED SENATORS WHERRY OF NEBRASKA, THE REPUBLICAN WHIP OR ASSISTANT FLOOR LEADER; BALL OF MINNESOTA, KNOWLAND OF CALIFORNIA, BROOKS OF ILLINOIS, DWORSHAK OF IDAHO AND ROBERTSON OF WYOMING. ALL BUT ROBERTSON ARE MEMBERS OF THE APPROPRIATIONS COMMITTEE, AND WHERRY AND DWORSHAK ALSO ARE MEMBERS OF THE POLICY GROUP HEADED BY TAFT.

IN ADDITION TO CONSIDERING THE PROPOSED $6,800,000,000 INITIAL OUTLAY, WHERRY SAID THE SENATORS ALSO TOOK INTO ACCOUNT "SOMETHING MORE THAN A BILLION DOLLARS" WHICH THE NEBRASKAN SAID WILL BE NEEDED TO MEET OTHER FOREIGN COMMITMENTS, SUCH AS EXPENSES IN OCCUPIED AREAS.

B30WX

ANOTHER SENATOR WHO ASKED NOT TO BE QUOTED BY NAME, SAID BROOKS URGED THAT ANY RECOVERY PLAN SPECIFICALLY FORBID "POLITICAL LOANS" TO FOREIGN GOVERNMENTS.

KNOWLAND WAS REPORTED TO HAVE INSISTED THAT PROVISION BE MADE FOR OBTAINING STRATEGIC MATERIALS IN RETURN FOR AMERICAN AID.

ONE OF THE CONFEREES PREDICTED THE PUBLIC HEARINGS BEFORE VANDENBERG'S COMMITTEE WILL LAST AT LEAST A MONTH.

VANDENBERG HAS ANNOUNCED THAT HE WANTS A FULL AND OPEN EXPRESSION OF OPINION FROM BOTH PROPONENTS AND OPPONENTS OF THE MEASURE AND HAS SAID HE IS KEEPING AN "OPEN MIND" ON THE ADMINISTRATION'S RECOMMENDATIONS.

DISCUSSING THE FOREIGN AID PROBLEM IN A CHICAGO SPEECH LAST NIGHT, SUPREME COURT JUSTICE WILLIAM O.DOUGLAS DECLARED:

"WE MUST NOT MANAGE THIS GREAT CRISIS OF DEMOCRACY AS IF IT WERE AN AUCTION--AS IF THE PEOPLES OF THE WORLD WERE ON THE BLOCK AND GOING TO THE HIGHEST BIDDER."

INSTEAD, DOUGLAS SAID, AMERICANS MUST "REACH BEHIND THE FACADE OF MINISTERS AND CABINETS AND LET THE COMMON PEOPLE FEEL OUR WARM HANDCLASP." HE ADDED:

"WE MUST LET THEM KNOW THAT OUR DESIRE IS NOT TO MAKE THEM OUR SATELLITES BUT TO MEET THEM AS EQUALS IN A WORLD WHERE STANDARDS OF DECENCY AND JUSTICE PREVAIL."

L SU646AES

WASHINGTON, DEC. 31-(AP)-PRESIDENT TRUMAN LATE TODAY DESIGNATED NINE JUDGES TO SERVE ON THE MILITARY TRIBUNALS SET UP BY THE WAR DEPARTMENT IN GERMANY FOR THE TRIAL OF ACCUSED WAR CRIMINALS.

THE NINE, TOGETHER WITH ONE ALTERNATE, CLARENCE F.MERRELL, INDIANA ATTORNEY, WILL BE ELIGIBLE FOR SERVICE ON ANY OF THE TRIBUNALS.

SIMILAR DESIGNATIONS OF OTHER JUDGES HAVE BEEN MADE FROM TIME TO TIME.

THE NINE NAMED TODAY: JAN 1948

JOHN C.YOUNG, FORMER CHIEF JUSTICE, COLORADO SUPREME COURT; LEON W.POWERS, FORMER JUDGE, IOWA SUPREME COURT; LEE B.WYATT, ASSOCIATE JUSTICE, GEORGIA SUPREME COURT; HU (CORRECT) C.ANDERSON, PRESIDING JUDG AND WINFIELD B.HALE, MEMBER, TENNESSEE COURT OF APPEALS; DANIEL T. O'CONNELL, ASSOCIATE JUSTICE, MASSACHUSETTS SUPERIOR COURT; WILLIAM J.WILKINS, JUDGE, WASHINGTON (STATE) SUPERIOR COURT; EDWARD J.DALY, JUDGE, CONNECTICUT SUPERIOR COURT; AND ROBERT F.MAGUIRE, ATTORNEY OF THE STATE OF OREGON.

VX&J1030PES

ATOMIC

BY ELTON C.FAY

WASHINGTON,DEC.31-(AP)-THE UNITED STATES PUT ALL NATIONS ON NOTICE TODAY TO KEEP THEIR SHIPS, PLANES AND PEOPLE OUT OF THE ENIWETOK ATOMIC WEAPONS TESTING AREA, STARTING ONE MONTH FROM NOW.

THE STATE DEPARTMENT WAS BUSY RELAYING TO EMBASSIES AND LEGATIONS A FORMAL WARNING FROM THE ATOMIC ENERGY COMMISSION. IN SOMETHING OF AN UNDERSTATEMENT, THAT NOTICE SAID "HAZARDS" WILL EXIST IN A 39,000-SQUARE MILE AREA SURROUNDING THE PACIFIC ATOLL BEGINNING JANUARY 31 AND "THROUGHOUT THE CALENDAR YEAR 1948."

THE TOTAL AREA IS ROUGHLY HALF THAT SET ASIDE FOR THE BIKINI ATOM BOMB EXPERIMENTS OF 1946. HOWEVER, THE COMMISSION'S ANNOUNCEMENT SAID THAT "IF NECESSARY, WARNINGS OF ANY HAZARDS OUTSIDE THE DESIGNATED DANGER AREA WILL BE GIVEN IN THE EVENT THAT SUCH DANGERS ARE CREATED BY ACTIVITIES CONDUCTED WITHIN THE DANGER AREA."

THIS WAS TAKEN TO MEAN THAT THE 39,000-SQUARE MILE AREA IS A BASIC ZONE, TO BE EXPANDED TEMPORARILY AS TESTS ARE CONDUCTED. WINDS AND CURRENTS, WHICH MIGHT CARRY RADIOACTIVE CLOUDS OR WATER, GENERALLY MOVE WESTWARD FROM THE MARSHALL ISLANDS THROUGH MOST OF THE YEAR.

AT THE STATE DEPARTMENT IT WAS EXPLAINED THAT WHILE INDIVIDUAL COUNTRIES WERE BEING WARNED OF THE "DANGER AREA" THERE WAS NO NEED FOR A SIMILAR NOTICE TO THE UNITED NATIONS.

THE U.N. WAS NOTIFIED OF THIS COUNTRY'S INTENTION TO CREATE A RESTRICTED ZONE AROUND THE ENIWETOK AREA A MONTH AGO WHEN THE UNITED STATES PUBLICLY DISCLOSED SELECTION OF THE ATOLL FOR ITS ATOMIC PROVING GROUNDS SITE.

WHILE ATOMIC ENERGY COMMISSION OFFICIALS DESCRIBED THE LATEST NOTICE AS SIMPLY A SAFETY MEASURE, IT NEVERTHELESS WILL SERVE TO ADVISE ALL COUNTRIES HOW CLOSE ANY CURIOUS OBSERVER MIGHT APPROACH TO THE HIGHLY SECRET CLUSTER OF CORAL ISLANDS WHERE THE UNITED STATES WILL TRY OUT NEW ATOMIC WEAPONS.

THE POSSIBILITY OF ANY LONG RANGE PEEPING IS PRETTY MUCH CONFINED TO SHIPS OR SUBMARINES. AIRPLANES OF ANY FOREIGN POWER WOULD HAVE TO TRAVEL SO FAR TO REACH THE AREA THAT IT IS UNLIKELY THAT METHOD OF UNSANCTIONED OBSERVATION MIGHT BE ATTEMPTED. SURFACE SHIPS ARE CONSPICUOUS. AND THAT LEAVES SUBMARINES.

OFFICIALS ARE NOT READY TO SAY WHAT METHODS OF PRESERVING MILITARY SECURITY, ASIDE FROM THE TIGHT CONTROL OF PERSONS TRAVELING TO ENIWETOK ON OFFICIAL BUSINESS, WILL BE USED.

THE MOST OBVIOUS METHOD IS THE CLOSE AND CONSTANT SURVEILLANCE OF THE AREA BY NAVAL AND AIR PATROL, WITH SHIPS AND AIRCRAFT EQUIPPED WITH RADAR AND UNDERWATER LISTENING DEVICES TO SPOT THE APPROACH OF UNAUTHORIZED VESSELS OR PLANES.

MD354AES

(180) GRAHAM

WASHINGTON,DEC.31-(AP)-BRIG.GEN.WALLACE H.GRAHAM INSISTED TODAY THAT HE KNEW NOTHING OF SPECULATIVE PURCHASES OF WHEAT FOR HIS BROKERAGE ACCOUNT UNTIL WEEKS AFTER THEY WERE MADE, AND SAID, "I LOST MY SOCKS."

THE PRESIDENT'S PHYSICIAN REPEATED TO REPORTERS A STATEMENT HE FIRST MADE LAST MONDAY -- THAT HE SIMPLY TURNED MONEY OVER TO THE BROKER AND TOLD HIM ANYTHING HE WANTED TO DO "WAS OK BY ME."

BACHE & CO., WHICH HANDLED HIS ACCOUNT, HAD DISPUTED THAT EARLIER. IN A STATEMENT ISSUED IN NEW YORK, THE FIRM SAID:

"ALL TRANSACTIONS MADE FOR THE GENERAL'S ACCOUNT IN BOTH SECURITIES AND COMMODITIES WERE AT ALL TIMES MADE ON HIS INSTRUCTIONS AND THE CUSTOMARY WRITTEN CONFIRMATIONS WERE SENT TO HIM."

THE AGRICULTURE DEPARTMENT PUBLISHED LAST MONDAY A LIST OF SPECULATORS ON THE CHICAGO GRAIN FUTURES MARKET LAST SEPT.17-18-19. GRAHAM WAS LISTED AMONG THEM.

GRAHAM SAID THEN -- AND REPEATED TODAY -- THAT THE FIRST TIME HE KNEW HE HAD ANY GRAIN HOLDINGS WAS ON OCTOBER 7 WHEN HE INQUIRED OF HIS BROKER. HE SAID HE THEN INSTRUCTED THE BROKER TO DISPOSE OF SUCH HOLDINGS.

EG415PES

TRADERS LIST

WASHINGTON,DEC.31-(AP)-SECRETARY OF AGRICULTURE ANDERSON TODAY MADE PUBLIC THE FOLLOWING NAMES OF 26 GOVERNMENT EMPLOYES WHO HE SAID WERE TRADING ON EGG OR COTTON COMMODITY MARKETS JULY 31, 1946: (MARKET POSITIONS WERE NOT GIVEN)

ENGLAND, JAMES R. III, BIRMINGHAM, ALA., MAIL CLERK.
WRIGHT, P.L., BIRMINGHAM, ALA., DEPT, OF AGRICULTURE.
LOFTON, SIDNEY S., MONTGOMERY, ALA., MAIL CLERK.
ROBERTS, ROBERT L., SAN DIEGO, CALIF. POST OFFICE DEPT.
GINN, J.L., EAST POINT, GA. POST OFFICE DEPT.
LANGSTON, WARREN R. ROME, GA., VETERANS ADMINISTRATION
THORNTON, JOSEPH E. MIAMI, FLA. FEDERAL BUREAU OF INVES.
JENKINS, DON A., MINNEAPOLIS, MINN. VETERANS ADMINISTRATION
KANNENBERG, WILLIAM, RENO, NEV., DEPUTY COLLECTOR
GOODMAN, SCOTT M., MOCKSVILLE, N.C., MAIL CLERK
CONNOLLY, W.R., SCRANTON, PA., MAIL CLERK
BEYER, FRANK A.& MRS.M., SIOUX FALLS, S.D.OFFICE OF PRICE ADMIN.
COBLE, C.R.MEMPHIS, TENN., POST OFFICE CLERK
BILLINGS, ROY B., FORT WORTH, TEX., OPA EXECUTIVE
LEWIS, HERBERT L., FORT WORTH, TEX., OPA EXECUTIVE
MOSES, LEON O., FORT WORTH TEX., OPA ATTORNEY
MILLER, MRS.NINA E., ARLINGTON, VA., DEPT.OF AGRICULTURE
FULTON, GRADY, SUMMIT, N.J., WAR DEPARTMENT
HAGEN, K.V., MANHASSET, N.Y.MILITARY GOVERNMENT FOR GERMANY. STATIONED IN BERLIN, GERMANY.
PERROTTA, VICTOR L., ATLANTA, GA., CIVIL AERONAUTICS AUTHORITY
ROBERTS, MRS.VERA H., SPRINGFIELD, MO., FOREST SERVICE
FLETCHER, ROBERT, HATTIESBURG, MISS., HEAD OF OPA RENT CONTROL
(X) PAGE, JOSEPH A., WASHINGTON, D.C., U.S.GOVERNMENT. INDUSTRIAL SPECIALIST WITH PETROLEUM ADM.FOR WAR.
MCANALLEN, M.A.& RUBY L., HATTSVILLE, MD., M.A.MCANALLEN EMPLOYED BY TREASURY DEPT., WASHINGTON, D.C.(RUBY L.,WIFE.)
PATON, JAMES F.WASHINGTON, D.C. BUREAU OF INTERNAL REVENUE
(WX) LEFT GOVERNMENT SERVICE SEPT.30, 1946.

-DASH-

IN ADDITION, THE LIST INCLUDED THE NAMES OF D.W.HARBISON, CASA GRANDE, ARIZ., WHO LEFT GOVERNMENT SERVICE IN 1943; AND THREE OTHERS WHO ANDERSON SAID WERE NOT DEFINITELY IDENTIFIED AS FEDERAL EMPLOYES. THEY WERE LISTED, ON BASIS OF BROKERS' REPORTS, AS JOHN TOGANIDIS, NEW YORK CITY, FOREIGN SERVICE; GEORGE BERTSCHER, GALVESTON, TEX., IMMIGRATION AND LEROY C.MILLER, ARLINGTON, VA. WEATHER BUREAU.

(EDS: READ IN ABOVE: (X) LEFT GOVERNMENT SERVICE ETC.)

LT342PES

JAN 1948

30.24- 14583

NIGHT LEAD SPECULATION

WASHINGTON,DEC. 31-(AP)-TWENTY-SIX FEDERAL EMPLOYES WERE LISTED BY SECRETARY OF AGRICULTURE ANDERSON TODAY AS HAVING SPECULATED IN THE COMMODITY MARKETS IN THE PAST TWO YEARS.

NO "BIG NAMES" WERE INVOLVED. THE 26 WERE DESCRIBED AS OFFICIALS AND CLERKS HOLDING RELATIVELY MINOR POSITIONS.

THREE WERE FROM ANDERSON'S OWN DEPARTMENT.

A FEW HOURS BEFORE HE RELEASED THE LIST, ANDERSON TOLD REPORTERS THAT BECAUSE OF THE "HEARTACHES" INVOLVED, HE SOON WILL RECOMMEND THAT THE GOVERNMENT QUIT MAKING PUBLIC THE NAMES OF PRIVATE CITIZENS TRADING IN GRAIN AND OTHER COMMODITIES.

BUT THE CABINET OFFICER SAID HE BELIEVES THE NAMES OF ALL FEDERAL, STATE AND LOCAL OFFICIALS WHO HAVE SPECULATED SHOULD CONTINUE TO BE PUBLISHED UNTIL ALL ARE DISCLOSED.

THERE WERE FURTHER REPERCUSSIONS TODAY FROM THE ORIGINAL LIST OF 80 SPECULATING FEDERAL EMPLOYES WHICH WAS MADE PUBLIC MONDAY. THAT LIST CONTAINED THE NAME OF BRIG.GEN.WALLACE H.GRAHAM, WHITE HOUSE DOCTOR.

PRESIDENT TRUMAN TOLD A NEWS CONFERENCE HE DOES NOT THINK HIS PHYSICIAN HAD DONE ANYTHING WRONG.

GRAHAM HAD SAID THAT HE SIMPLY TURNED MONEY OVER TO HIS BROKER WITH INSTRUCTIONS TO USE HIS OWN JUDGMENT IN HANDLING THE ACCOUNT. HE DIDN'T KNOW OF THE GRAIN PURCHASES UNTIL WEEKS AFTER THEY WERE MADE, HE SAID, AND AS SOON AS HE LEARNED OF THEM, HE ORDERED THE GRAIN SOLD.

TODAY IN NEW YORK THE BROKERAGE HOUSE, BACHE & CO., ISSUED A STATEMENT SAYING:

"ALL TRANSACTIONS MADE FOR THE GENERAL'S ACCOUNT IN BOTH SECURITIES AND COMMODITIES WERE AT ALL TIMES MADE ON HIS INSTRUCTIONS AND THE CUSTOMARY WRITTEN CONFIRMATIONS WERE SENT TO HIM."

TOLD OF THIS STATEMENT GRAHAM REITERATED THAT HE HAD NO KNOWLEDGE OF THE GRAIN PURCHASES UNTIL LAST OCT. 7, WEEKS AFTER THEY WERE MADE, AND ADDED: "I LOST MY SOCKS."

17WX

TODAY'S LIST WAS MADE PUBLIC BY ANDERSON IN CONNECTION WITH A LETTER HE SENT TO SENATOR KNOWLAND (R-CALIF). KNOWLAND, POINTING TO A 1937 DIRECTIVE BY THE LATE PRESIDENT ROOSEVELT CALLING ON GOVERNMENT EMPLOYES NOT TO SPECULATE IN COMMODITIES, HAD ASKED FOR A LIST OF SUCH EMPLOYES FOUND TO BE SPECULATING IN 1946 AND 1947.

JAN 1948

THE NAMES HAD BEEN GATHERED BY THE COMMODITY EXCHANGE AUTHORITY, WHICH IS IN ANDERSON'S DEPARTMENT. OFFICIALS SAID THAT SOME, AT LEAST, OF THE EMPLOYES DID NOT KNOW OF THE ROOSEVELT DIRECTIVE.

ANDERSON SAID THE 26 HAD SPECULATED IN COTTON AND EGG FUTURES, BUT HE DID NOT FURNISH DETAILS OF THE TRANSACTIONS.

ANDERSON TOLD REPORTERS HE WILL PROPOSE HALTING THE PUBLICIZING OF PRIVATE SPECULATORS' NAMES AS SOON AS "EVERYBODY IS SATISFIED WE ARE NOT TRYING TO SHIELD ANYONE." PUBLICATION OF THE LISTS, HE SAID, IS CAUSING "HEARTACHES" FOR "MANY INNOCENT HOLDERS" OF COMMODITY FUTURES.

REP.ANDRESEN (R-MINN), CHAIRMAN OF A SPECIAL HOUSE COMMITTEE INVESTIGATING MARKET SPECULATION, SAID ANY SUCH PROPOSALS PUT FORTH BY ANDERSON WILL RECEIVE "FULL CONSIDERATION" BY HIS UNIT.

"AS FAR AS OUR COMMITTEE IS CONCERNED," ANDRESEN SAID, "IT DOES NOT INTEND TO PUBLISH ANY NAMES UNLESS INVESTIGATION SHOWS THAT THE PEOPLE INVOLVED WERE MANIPULATING THE MARKET OR OPERATING ON THE BASIS OF INSIDE GOVERNMENT INFORMATION."

RELEASE OF THE NAMES OF TRADERS IN THE FUTURES MARKETS WAS STARTED LAST WEEK UNDER AUTHORIZATION OF CONGRESS AFTER HAROLD E.STASSEN, CANDIDATE FOR THE REPUBLICAN PRESIDENTIAL NOMINATION, AND OTHERS HAD CHARGED THAT GOVERNMENT "INSIDERS" WERE PROFITING THROUGH SPECULATIVE OPERATIONS.

SO FAR THE NAMES OF MORE THAN 5,000 TRADERS---THE GREAT BULK OF THEM PRIVATE CITIZENS---HAVE BEEN PUBLISHED BY THE AGRICULTURE DEPARTMENT AND ANOTHER LIST OF MORE THAN 1,000 MAY BE RELEASED FRIDAY. IT IS EXPECTED TO INCLUDE THE NAMES OF MOST BIG TRADERS WHO WERE IN THE MARKETS ANYTIME BETWEEN JAN. 1, 1946, AND NOV. 30, 1947.

EXPLAINING HIS DESIRE TO CEASE PUBLISHING THE NAMES OF PRIVATE TRADERS, ANDERSON SAID HE HAD RECEIVED HUNDREDS OF LETTERS FROM PEOPLE OVER THE UNITED STATES WHO HAD INVESTED NEST-EGG SAVINGS IN COMMODITIES WITH NO INTENTION OF WRONG-DOING. WHILE SPECULATION IS NOT AGAINST THE LAW, PRESIDENT TRUMAN HAS CRITICIZED WHAT HE CALLED "GAMBLING" IN GRAIN.

18WX

TO ILLUSTRATE HOW SOME OF THE LITTLE INVESTORS FEEL, ANDERSON QUOTED FROM A LETTER HE SAID HE HAD RECEIVED FROM A SMALL TOWN DOCTOR WHO HAD LOST SOME OF HIS SAVINGS ON THE CORN AND COTTON MARKETS.

WITHHOLDING THE PHYSICIAN'S NAME, ANDERSON READ FROM HIS LETTER:

"I AM SORRY I AM NOT EXTROVERT ENOUGH TO TAKE THIS IN STRIDE BUT LIFE DOES NOT HOLD THE PROMISE FOR ME TO TRY TO LIVE DOWN THIS PUBLIC STIGMA AFTER LOSING THE MONEY.

"MY FAMILY WILL HAVE MY INSURANCE AT LEAST, AND THEY CAN MOVE ELSEWHERE. MY WIFE SAYS I ACT LIKE A MAN CONDEMNED BUT SHE DOES NOT KNOW IT IS ONLY A REPRIEVE UNTIL THE DAY MY NAME IS PUBLISHED.

"YOU HOLD MUCH POTENTIAL HAPPINESS OR HEARTACHE IN YOUR HANDS, MR. SECRETARY. MAY GOD GUIDE AND HAVE MERCY ON US BOTH."

VX540PES

FARM PRICES (400)

BY FRANCIS M.LEMAY

WASHINGTON,DEC.31-(AP)-A PREDICTION THAT CONGRESS WILL CONTINUE GOVERNMENT PRICE PROPS FOR FARM COMMODITIES WAS VOICED TODAY BY CHAIRMAN HOPE (R-KAS) OF THE HOUSE AGRICULTURE COMMITTEE.

HOPE TOLD REPORTERS HIS COMMITTEE, SOON AFTER CONGRESS CONVENES JANUARY 6, WILL TACKLE THE JOB OF WRITING A LONG-RANGE PROGRAM FOR AGRICULTURE. HE LISTED THE MAJOR DECISIONS AS WHETHER TO:

1. CONTINUE SUPPORTING PRICES FOR FARM PRODUCTS, AND IMPOSE PRODUCTION CONTROLS WHEN SURPLUSES BEGIN TO DEVELOP. THE PRICE SUPPORT PROGRAM, ADOPTED DURING THE WAR, EXPIRES AT THE END OF 1948.

2. REVISE THE PARITY FORMULA INTENDED TO GIVE FARM CROPS THE PURCHASING POWER OF SOME PAST FAVORABLE PERIOD FOR AGRICULTURE, USUALLY 1909-14. SOME AGRICULTURAL LEADERS CONTEND THE FORMULA IS OUTMODED.

PRICE SUPPORTS ARE BASED ON PARITY. THE GOVERNMENT, THROUGH LOANS, BOLSTERS PRICES OF A WIDE VARIETY OF FARM COMMODITIES, USUALLY AT 90 PERCENT OF PARITY.

3. EXPAND THE SOIL CONSERVATION PROGRAM TO PROVIDE MORE TECHNICAL AND EDUCATIONAL ASSISTANCE IN THE RESTORATION OF SOIL FERTILITY.

4. CONSOLIDATE VARIOUS FEDERAL PROGRAMS FOR AGRICULTURE. PROPOSALS TO MERGE THE SOIL CONSERVATION SERVICE AND THE FARM EXTENSION SERVICE

HAVE ROUSED CONSIDERABLE CONTROVERSY AMONG FARMERS.

DURING THE FALL THE AGRICULTURE COMMITTEE TRAVELLED ABOUT 6,000 MILES, MOST OF IT BY BUS, GETTING FARMER OPINION ON LONG RANGE FARM POLICY.

MOST FARMERS SAID THEY WANTED THE OLD PROGRAM REFINED AND CONTINUED AS THE LONG RANGE POLICY. THEY DIFFERED ON HOW TO CHANGE PARITY.

SOME FARM LEADERS ARE PROPOSING A FLEXIBLE PARITY SYSTEM, WHEREBY GOVERNMENT PRICE SUPPORTS COULD BE USED TO ENCOURAGE NEEDED PRODUCTION, AND WITHDRAWAL OF SUPPORTS TO DISCOURAGE PRODUCTION WHERE SURPLUSES THREATEN.

JAN 1948

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HOPE SAID THAT IF AN INVOLVED CONTROVERSY DEVELOPS OVER AN OVERALL LONG RANGE AGRICULTURE PROGRAM, CONGRESS MIGHT WIND UP IN JUNE BY PASSING A SIMPLE RESOLUTION CONTINUING THE PRESENT PRICE SUPPORT SYSTEM FOR ANOTHER YEAR.

HE POINTED OUT THAT PRICE SUPPORTS WILL NOT BE OF GREAT IMPORTANCE IN THE AGRICULTURE PICTURE SO LONG AS THE UNITED STATES SHIPS LARGE AMOUNTS OF FOOD ABROAD.

HOPE SAID HE FAVORS THE "GENERAL PRINCIPLES" OF THE MARSHALL PLAN FOR LONG RANGE FOREIGN AID BECAUSE "FARMERS ARE IN THE BUSINESS OF FEEDING PEOPLE--THEY DON'T WANT TO SEE PEOPLE STARVE." HE ADDED:

"I WILL SUPPORT ANY PROGRAM OF HELPING COUNTRIES OF WESTERN EUROPE TO HELP THEMSELVES."

HE DECLINED TO SAY HOW MUCH AID HE WOULD CONSIDER PROPER. THE ADMINISTRATION HAS PROPOSED A FOUR-YEAR, $17,000,000,000 (BILLIONS) OUTLAY.

MD249AES

WASHINGTON,DEC.31-(AP)-SENATOR BALL (R-MINN) SAID TODAY THAT A "WHEAT CARRYOVER" RIDER INSERTED IN THE INTERIM FOREIGN AID LAW RECENTLY ENACTED BY CONGRESS MAY HAVE PREVENTED WHEAT PRICES FROM CLIMBING AS HIGH AS $5 A BUSHEL.

HE REFERRED TO AN AMENDMENT PLACED IN THE $540,000,000 FOREIGN AID FUND STATUTE BY THE APPROPRIATIONS COMMITTEES OF THE SENATE AND HOUSE REQUIRING THAT "EXPORTS NOT REDUCE OUR DOMESTIC CARRYOVER BELOW 150,000,000 BUSHELS."

"WITHOUT IT, EXPORT DEMANDS MIGHT WELL HAVE PUSHED THE PRICE OF WHEAT TO $4.50 OR $5 A BUSHEL," THE SENATOR SAID IN A STATEMENT.

BALL ALSO NOTED THAT THE AGRICULTURE DEPARTMENT'S DECEMBER ESTIMATE ON THIS YEAR'S GRAIN CROPS WAS 98,987,000 BUSHELS BELOW ITS NOVEMBER ESTIMATE. HE SAID THIS MAKES 1947 GRAIN PRODUCTION SOME 800,000,000 BUSHELS LESS THAN THE DOMESTIC CONSUMPTION AND EXPORTS OF THE PREVIOUS CROP YEAR.

BALL PRAISED WINTER WHEAT FARMERS FOR INCREASING PLANTED ACREAGE THIS FALL BY 2,222,000 ACRES OVER THAT OF A YEAR AGO DESPITE UNFAVORABLE PLANTING CONDITIONS THIS YEAR.

"PROBABLY ONLY THE HIGH PRICE OF WHEAT INDUCED THE LARGER PLANTINGS IN SPITE OF BAD WEATHER," HE SAID, "WHICH IS ANOTHER INDICATION OF WHAT A MESS PRICE CONTROLS WOULD MAKE OF OUR PRODUCTION. HAD WHEAT PRICES BEEN CONTROLLED FARMERS NEVER WOULD HAVE GAMBLED BY PLANTING SO MUCH ACREAGE IN UNFAVORABLE WEATHER."

LT125OPES

(ADVANCE) WASHINGTON,DEC. 31-(AP)-REP.BENDER (R-OHIO) DECLARED TONIGHT THAT THE WAR ASSETS ADMINISTRATION IS CONTRIBUTING TO THE STEEL SHORTAGE BY HOLDING "SEVERAL MILLION TONS" OF OBSOLETE OR UNSALABLE MACHINERY IN ITS WAREHOUSES.

HE SAID THE METAL IN THE MACHINERY IS WORTH APPROXIMATELY $120,000,000 (MILLION) AS SCRAP, ADDING THAT HIS INFORMATION CAME FROM "RESPONSIBLE AND PUBLIC SPIRITED CITIZENS WHO HAVE NO PERSONAL INTEREST WHATEVER AT STAKE."

A SPOKESMAN FOR THE WAR ASSETS ADMINISTRATION COUNTERED IMMEDIATELY THAT THE AGENCY HAD NO INTENTION OF OFFERING THE SURPLUS EQUIPMENT AS SCRAP. HE ADDED THAT SALES HAD BEEN "SLOWED UP" SINCE MID-AUGUST BY A NEW LAW REQUIRING THE W.A.S. TO LIST ALL MACHINE TOOLS AND INDUSTRIAL EQUIPMENT WITH A JOINT ARMY-NAVY BOARD.

BENDER, CHAIRMAN OF A HOUSE WAR INVESTIGATING SUBCOMMITTEE, SAID IN A STATEMENT THAT IF THIS "HUGE TONNAGE OF METALS" WAS OFFERED FOR DIRECT SALE TO STEEL MILLS, "THE PRESENT SKY-ROCKETING PRICES OF SCRAP STEEL WOULD BE DRIVEN DOWN AND NEW STEEL WOULD IN TURN REFLECT THE LOWER PRICES." THE CONGRESSMAN-AT-LARGE SAID REGIONAL DIRECTORS IN THE CHICAGO ZONE OFFICE OF THE AGENCY "ARE REPORTED TO HAVE RECEIVED INSTRUCTIONS TO ELIMINATE THEIR SALVAGE DEPARTMENTS" AND THAT THE SCRAP AND SALVAGE DEPARTMENT WAS "ABOLISHED" IN CLEVELAND "AND THE FORMER HEAD OF THIS UNIT X X X RESIGNED IN DISGUST."

WAR ASSETS SALES IN CLEVELAND, HE SAID, AMOUNTED TO $8,629,000 (MILLION) IN NOVEMBER ALTHOUGH $36,000,000 IN SCRAP ALONE WAS SOLD THERE IN SEPTEMBER.

"THIS WAS IN SPITE OF THE FACT," HE ADDED, "THAT THE INVENTORY FOR NOVEMBER WAS MORE THAN $2,000,000 LARGER THAN IT HAD BEEN IN SEPTEMBER."

CHICAGO'S TOTAL SALES, TOO, FELL FROM $120,000,000 IN SEPTEMBER TO $71,625,000 IN NOVEMBER, HE ASSERTED.

JAN 1948

B61WX

THE AGENCY SPOKESMAN, WHO DECLINED USE OF HIS NAME, SAID IT WOULD BE A "FAR-FETCHED AND DANGEROUS PROPOSITION" FOR WAR ASSETS TO DETERMINE WHICH OF THE SURPLUS SHOULD BE DECLARED SCRAP.

"OUR POLICY HAS BEEN AND WILL CONTINUE TO BE TO OFFER THIS EQUIPMENT AS MACHINERY OR MACHINE TOOLS AS QUICKLY AS POSSIBLE AND LET THE BUYERS DETERMINE THE VALUE OF IT," HE SAID.

(END ADVANCE FOR AMS THURSDAY, JAN. 1)

VX925PES

30.24- 14585

(ADVANCE) WASHINGTON,DEC. 31-(AP)-THE POST OFFICE DEPARTMENT ANNOUNCED TONIGHT THAT IT WILL SHORTLY INAUGURATE AN AIR PARCEL POST SERVICE BETWEEN THE UNITED STATES AND FOREIGN COUNTRIES WHERE AGREEMENTS CAN BE WORKED OUT FOR SUCH A SERVICE.

NEGOTIATIONS ARE NOW GOING FORWARD AND POSTMASTER GENERAL JESSE M. DONALDSON SAID IT IS EXPECTED THAT AGREEMENTS CAN BE ARRIVED AT WITH THE UNITED KINGDOM, COUNTRIES IN CONTINENTAL EUROPE, BERMUDA, NEWFOUNDLAND, THE AZORES, ICELAND, SENEGAL, THE AFRICAN GOLD COAST, BELGIAN CONGO, UNION OF SOUTH AFRICA, ALGERIA, TUNISIA, EGYPT, PALESTINE, SAUDI ARABIA, SYRIA AND INDIA.

PARCELS NOW MAY BE SENT BY AIR ON PAYMENT OF FULL FIRST CLASS AIR MAIL POSTAGE, WHICH USUALLY IS EXPENSIVE. THE PROPOSED NEW SERVICE WILL REQUIRE THE WORKING OUT OF A LOW-PRICE POSTAGE SCHEDULE.

(END ADVANCE FOR AMS THURSDAY, JAN. 1)

VX914PES

WASHINGTON, DEC 31-(AP)-A PROPOSED ECONOMIC TREATY DESIGNED TO IMPROVE LIVING STANDARDS, PROMOTE INDUSTRIALIZATION, AND BOOST PURCHASING POWER IN LATIN AMERICA HAS BEEN COMPLETED BY A SPECIAL COMMITTEE OF THE INTER-AMERICAN ECONOMIC AND SOCIAL COUNCIL.

THE DOCUMENT IS TO BE PRESENTED TO THE INTER-AMERICAN CONFERENCE SCHEDULED TO CONVENE IN BOGOTA, COLOMBIA, NEXT MARCH 31.

A SIX-NATION COMMITTEE COMPOSED OF THE UNITED STATES, ARGENTINA, CUBA, CHILE, MEXICO AND PERU DREW UP THE TREATY DRAFT. IT NOW GOES TO THE FULL COUNCIL WHICH IS TO MEET JAN. 12 TO DISCUSS IT.

THE INTER-AMERICAN ECONOMIC AND SOCIAL COUNCIL WAS SET UP BY THE CONFERENCE OF AMERICAN FOREIGN MINISTERS HELD IN MEXICO CITY IN 1945.

THE TEN-POINT TREATY DRAFT CONTAINS PROVISIONS TO:

1. REGULATE TECHNICAL AND FINANCIAL COOPERATION AMONG THE AMERICAN NATIONS IN AN EFFORT TO MAKE THE BEST MUTUAL USE OF THEIR NATURAL RESOURCES.

2. PROMOTE PRIVATE INVESTMENTS, TRADE AND BETTER COMMUNICATION, SEA TRANSPORTATION AND LABOR STANDARDS.

3. ESTABLISH PROCEDURES FOR THE SETTLEMENT OF ANY ECONOMIC DISPUTES.

J10PES

LAKE SUCCESS, DEC 31-(AP)-CHESTER BOWLES, CHAIRMAN OF THE INTERNATIONAL ADVISORY COMMITTEE OF THE UNITED NATIONS APPEAL FOR CHILDREN, SAID TODAY A SEVEN-NATION SUBCOMMITTEE OF THE U.N. WHICH RECENTLY REJECTED A PROPOSED PLAN FOR A WORLD CHILDREN'S CONGRESS HAD "AN INSUFFICIENT GRASP OF THE PROJECT AS A WHOLE."

BOWLES URGED SECRETARY-GENERAL TRYGVE LIE IN A LETTER TO "LET US GO AHEAD WITH THE PLAN" DESPITE THE SUBCOMMITTEE'S NEGATIVE RECOMMENDATION.

"IT WAS EXTREMELY UNFORTUNATE THAT THE PLAN HAD TO BE PRESENTED HASTILY, AND THAT THE COMMITTEE WAS NOT ABLE TO GIVE IT THE THOROUGH STUDY THAT PRECEDED ITS PREPARATION," HE WROTE.

THE PROPOSED PLAN WOULD BRING TEEN-AGERS HERE FROM THE 57 U.N. COUNTRIES SO THEY COULD PERSONALLY EXPLAIN THE NEEDS OF CHILDREN IN AREAS AFFECTED BY THE WAR.

BOWLES SAID "CONCERN EXPRESSED BY MEMBERS OF THE COMMITTEE THAT THE DELEGATES TO SUCH A CONGRESS WOULD IN ANY SENSE BE 'EXPLOITED' IS WOTHOUT FOUNDATION."

DY635PES

NEW YORK--1ST ADD AUSTIN (A45) X X X ~~THE AGREEMENT~~ FORCE.

AUSTIN'S LETTER SAID THE UNITED STATES GOVERNMENT APPRECIATES "THE DESIRABILITY OF GIVING THE FULLEST POSSIBLE EFFECT" TO THE AGREEMENT.

HE SAID THE AGREEMENT WAS DRAWN UP ON JUNE 26, BECAME GENERALLY EFFECTIVE NOV.21 AND SPECIFICALLY APPLICABLE TO THE INTERIM HEADQUARTERS AT LAKE SUCCESS AND FLUSHING AFTER A SUPPLEMENTAL AGREEMENT ON DEC.18.

KYRIAZIDIS WAS DETAINED ON DEC.17, AUSTIN SAID, AND IT WAS "NOT ENTIRELY CLEAR" WHETHER THE AGREEMENT WAS EFFECTIVE AT THAT TIME. HE ADDED THAT THE UNITED STATES WISHED TO ENFORCE THE AGREEMENT "REGARDLESS OF ANY SUCH TECHNICALITY."

HE PROPOSED THAT TO "AVOID FURTHER MISUNDERSTANDINGS" THE U.N. REVIEW THE ENTIRE LIST OF PRESS, RADIO, FILM AND OTHER REPRESENTATIVES, IN CONSULTATION WITH THE UNITED STATES, "SO AS TO BRING ALL BONA FIDE REPRESENTATIVES CLEARLY UNDER THE PROTECTION OF THE AGREEMENT."

HE ALSO SUGGESTED A JOINT PROGRAM OF PROCEDURES, DATA, AND CRITERIA FOR HANDLING THE ACCREDITING OF SUCH REPRESENTATIVES IN THE FUTURE.

MD&MJ1101PES

ST.CLOUD,MINN.,DEC.31-(AP)-REP.HAROLD KNUTSON (R-MINN) SAID TODAY HE AGREED WITH HENRY WALLACE'S DENUNCIATION OF THE TRUMAN ADMINISTRATION'S FOREIGN POLICY AND SAID THAT POLICY "IS LEADING US INTO WORLD WAR III."

"WHILE THE PURPOSE OF IT IS TO PREVENT THE FURTHER SPREAD OF RUSSIAN POWER, THE PRIZE BEING THE VAST OIL POOLS OF ARABIA, IRAN AND IRAQ, IT IS DOLLAR DIPLOMACY MODERNIZED," SAID KNUTSON, CHAIRMAN OF THE HOUSE WAYS AND MEANS COMMITTEE.

KNUTSON, VISITING HERE DURING THE HOLIDAYS WITH A BROTHER, SAID IN AN INTERVIEW:

"IT LOOKS LIKE WE'RE TRYING TO ENCIRCLE RUSSIA.

"WHAT HAS OUR AID TO GREECE GOT US? WE HAVE POURED MILLIONS OF DOLLARS AND MANY THOUSANDS OF TONS OF FOOD INTO THE COUNTRY, AND, ACCORDING TO LATEST REPORTS FROM GREECE, ARE ACTUALLY LOSING GROUND.

"THE BEST THING WE CAN DO IN EUROPE IS TO GET OUT AND LET THEM WORK OUT THEIR OWN SALVATION. THERE IS NOT ENOUGH MONEY IN THE WHOLE UNITED STATES TO KEEP RUSSIA IN CHECK."

KNUTSON SAID HE WOULD PRESS FOR EARLY ACTION ON A TAX REDUCTION BILL. THE PROPOSED MEASURE, HE SAID, WOULD TAKE 6,000,000 PERSONS OFF THE TAX ROLLS AND REDUCE TAXES OF LOW INCOME GROUPS BY 30 PERCENT AND THE HIGHEST INCOME GROUP BY 10 PERCENT.

GV946PCS

UNDATED WORLD NEW YEARS (530)

BY THE ASSOCIATED PRESS

(NY) THE ADVENT OF 1948 WAS GREETED WITH HOPE, WITH CONFIDENCE, AND IN SOME CASES WITH DESPAIR BY LEADERS OF A WORLD STILL BESET WITH PROBLEMS SIRED BY WORLD WAR 2.

PRESIDENT TRUMAN, EXPRESSING HOPE FOR "A WORKABLE WORLD PEACE," TOLD REPORTERS YESTERDAY (WED) THAT "I HAVE EVERY FAITH IN THE FINAL WORKING OF THE UNITED NATIONS AS A MEANS OF GENERAL WORLD PEACE, FOR THE SIMPLE REASON THAT WE CAN'T AFFORD ANYTHING ELSE."

IN FRANCE, PREMIER ROBERT SCHUMAN CALLED ON FRENCHMEN FOR "THE MOST HEROIC EFFORTS" TO SAVE FRANCE FROM INFLATION AND MERIT THE "GENEROUS AID OF OUR AMERICAN FRIENDS."

GRAVITY MARKED THE NEW YEAR'S EVE AUDIENCE OF POPE PIUS, BUT HE SAID HE DID NOT SHARE THE VIEWS OF THOSE WHO "COUNT THIS NEW YEAR IN ADVANCE AMONG THE MOST CALAMITOUS OF HISTORY."

IN CHINA, GENERALISSIMO CHIANG KAI-SHEK SAID "THE PRESENT COMMUNIST MENACE COMES AS MUCH FROM WITHOUT AS FROM WITHIN. UNLESS CHECKMATED, IT WILL CAUSE THE DOWNFALL OF OUR NATION."

IN EUROPE, GLOOM OVER 1948 PROSPECTS WAS DEEP IN GERMANY.

BRITONS WERE CALLED ON FOR MORE AND HARDER WORK IN THE NEW YEAR. THE SAME CALL WENT OUT, TOO, TO THE RUSSIANS, WHO WERE EXHORTED TO SO EXCEED THEIR INDUSTRIAL OUTPUT THAT THEY WILL FULFILL THE FIRST POSTWAR FIVE-YEAR PLAN IN FOUR.

IN SOUTH AFRICA, PRIME MINISTER JAN CHRISTIAN SMUTS SAID IN A NEW YEAR BROADCAST THAT "A THICK VEIL OVERHANGS THE FUTURE. IN SUCH A SITUATION WE CAN BUT ACT UP HONESTLY AND BRAVELY TO OUR BEST INSTINCTS."

A80

IN BRITAIN, WHERE MILLIONS ASSEMBLED IN CHURCHES, IN PUBLIC SQUARES OR IN NIGHTCLUBS TO HAIL THE NEW YEAR, SIR PATRICK HANNON, PRESIDENT OF THE NATIONAL UNION OF MANUFACTURERS, REFERRED TO 1948 AS A YEAR THAT "MAY WELL PROVE TO BE ONE OF THE MOST DIFFICULT WHICH BRITISH INDUSTRY HAS EVER ENCOUNTERED."

PRIME MINISTER CLEMENT ATTLEE IN A MESSAGE EXHORTED HIS COUNTRYMEN: "THIS YEAR LET US ALL PUT INTO OUR WORK THE SPIRIT THAT HAS MADE OUR NATION GREAT."

IN MOSCOW, THE NEWSPAPERS "PRAVDA" AND "TRUD" CALLED FOR MORE WORK FROM THE RUSSIANS IN 1948. THE OLD YEAR, SAID PRAVDA, "WILL GO DOWN IN THE HISTORY OF OUR MOTHERLAND AS A YEAR OF MAGNIFICENT VICTORIES ACHIEVED BY THE SOVIET PEOPLE WHO ARE SUCCESSFULLY OVERCOMING THE DIFFICULTIES ENGENDERED BY WAR AND STEADILY CONSOLIDATING THE MIGHT OF THEIR SOCIALIST STATE." X X X

IN BERLIN, THE GERMAN PEOPLE WERE TOLD IN A NEW YEAR'S PROCLAMATION FROM THE SOCIAL DEMOCRAT PARTY THAT "THE YEAR 1947 WHICH WAS SUPPOSED TO HAVE BEEN THE YEAR OF DECISION TURNED OUT TO BE THE YEAR OF DISAPPOINTMENTS. THE FRUITLESS EFFORTS OF ALLIED POWERS TO SOLVE POST-WAR PROBLEMS HAVE ONLY SERVED TO FURTHER STRAIN RRELATIONS BETWEEN THEM."

THE AMERICAN MILITARY GOVERNOR OF BAVARIA, MURRAY D.VAN WAGONERN TOLD THE GERMANS THAT "YOU DON'T DESERVE A PAT ON THE BACK FOR YOUR PERFORMANCE IN 1947". HE SAID FARMERS HAD FAILED TO MEET SCHEDULES AND THAT THE FOOD SUPPLY WOULD NOT BE INCREASED; THAT THE LEGISLATURE HAS FAILED TO PRODUCE "SOUND LAWS," AND THAT THE GOVERNMENT "HAS FAILED TO PROVIDE LEADERSHIP WHICH IS BIGGER THAN PARTY POLITICS."

BULGARIAN PREMIER GEORGI DIMITROV REFERRED IN A NEW YEAR'S BROADCAST TO THE "IMPERIALISTS WHO STILL ARE MAKING ATTEMPTS TO THREATEN BULGARIA'S INDEPENDENCE."

IN ATHENS, AMERICAN AID ADMINISTRATOR DWIGHT GRISWOLD SAID IN A BROADCAST THAT "THE GREEK SOLDIER, FIGHTING AN ELUSIVE ENEMY AMID DIFFICULT CIRCUMSTANCES, IS KEEPING THE HEROIC HERITAGE OF GREECE IN BRIGHT FOCUS."

MD917PES

End Dec. 31, 1947